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FOREWORD

From FY 1993 through FY 1996, the Food and Consumer Service of the U.S. Department of Agriculture supported five state demonstration projects designed to test the feasibility and effectiveness of operating the Food Stamp Employment and Training (E&T) program under the same legislative and regulatory terms as the Job Opportunities and Basic Skills (JOBS) program for AFDC recipients. Each of the participating states was responsible for designing and arranging for an independent evaluation of its demonstration. Social Policy Research Associates was selected by the Department of Agriculture to assist the demonstration states and their evaluation contractors in their evaluation efforts. As the national evaluation contractor, SPR was responsible for completing a critical review of each state's evaluation design and providing ongoing technical assistance to the state evaluators in collecting and analyzing data, interpreting study findings, and preparing written evaluation reports. We were also charged with preparing a synthesis of state evaluation findings.

This volume synthesizes the findings from the states' **process** and **implementation** evaluations. A second volume, synthesizing the conclusions from the states' **cost** and **impact** evaluations is scheduled for completion in the spring of 1997. The individual state-level process and evaluation reports that presented the findings summarized in this volume are noted as references herein.

Over the course of the four-year demonstration period, SPR staff benefited from site visits to each of the demonstration states and from many telephone and written communications with the state evaluators and the state program staff responsible for the E&T/JOBS conformance demonstrations. We would like to express our appreciation and gratitude for the full cooperation of these individuals in making the state evaluation designs as consistent as possible (within the constraints established by widely varying demonstration designs and data sources), so that the state evaluations could support the national evaluation synthesis.

We would also like to express our appreciation to Boyd Kowal, Barbara Murphy, and Christine Kissmer-our government technical representatives within the Food and Consumer Service's **Office** of Analysis and Evaluation-and to Micheal **Atwell** of the Food and Consumer Service's Program Development Division for their support and encouragement over the course of the project.

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From October 1, 1993 through September 30, 199

Service of the U.S. Department of Agriculture supported demonstrati

states-Georgia, Hawaii, Missouri, South Dakota, and Texas-to t

effectiveness of operating the Food Stamp Employment and Training (F

under the same legislative and regulatory terms as the Job Oppor

Skills (JOBS) program for AFDC recipients.

demonstrations included: (1) increasing administrative efficiency thro

simplification of work registration and sanctioning procedures

exemption, and sanctioning rules and procedures between E&T and JOBS was perceived as a significant improvement over the operation of two different **welfare-to-work** programs with different rules and regulations. In most states, demonstration operations were perceived by staff as providing more meaningful services to participants who were more motivated than under the previous E&T programs.

However, the demonstration programs were substantially more expensive to operate than the E&T programs they replaced, even when most of the actual cost of training was leveraged from other funding streams.¹ As a result, even with the cooperative agreement funds, each of the demonstrations found that it could serve fewer participants than previously. Selective recruitment and enrollment were key to the ability of most of the demonstrations to stay within their budgets. In addition, states that tested conformance on a large geographic scale sometimes placed limits on the services available to participants (particularly supportive services) to constrain demonstration costs.

In preparing for the start-up of demonstration services, states were able to adapt JOBS policies and procedures as well as management information and reporting systems developed for the JOBS program. This strategy generally worked well, except in several instances in which the JOBS automated information system was undergoing redesign or was not yet operational at the time of demonstration start-up. Although demonstration planning and start-up went smoothly in a number of states, developing new service delivery arrangements was a very time consuming process in several states that created new delivery systems for demonstration services. In addition, staff turnover created operational challenges in several states after the demonstrations were underway. Overall, program operations appear to have achieved the intended demonstration service designs.

Perhaps the most striking operational issue identified by the demonstration states was difficulty identifying and recruiting appropriate participants. In all the demonstration states, a significant proportion of the referred work registrants were already off Food Stamps or exempt by the time they were called in for services. As a result, all the demonstrations had to call in substantially larger numbers of work registrants than they had the capacity to enroll.

¹The impact of the conformance demonstrations on the cost of E&T services will be described in more detail ***in the Synthesis of Cost and Impact Evaluations.***

Among the implementation lessons suggested by the experiences of the demonstration states are the following:

- Involve all affected agencies and levels in planning for demonstration services.
- Cross-train staff, including income maintenance workers, to understand how their actions affect the rest of the system.
- Take advantage of non-financial coordination linkages to increase access by E&T participants to education and training services.
- Do not expect a tougher sanctioning policy, by itself, to increase rates of participation or decrease sanctioning rates.
- Recognize that the availability of child care expense reimbursements may be a powerful magnet encouraging participation by exempt work registrants (“exempt volunteers”) and mandatory work registrants who may volunteer to participate prior to being called in (sometimes referred to as “mandatory volunteers”).

KEY FINDINGS FROM THE PROCESS EVALUATIONS

Although the five states participating in the E&T/JOBS conformance demonstration shared overall project goals and used the JOBS model as the framework for redesigning their E&T programs, there were significant variations across states in demonstration policies and practices. Exhibit A summarizes some of the key variations across the five demonstration states in the services, operational arrangements, and targeting/participation designs implemented as part of the conformance demonstrations.

Individual assessment and service planning provided by case management staff were key elements of the demonstration designs in all states. As a result, the number of work registrants participating in each demonstration was constrained by the ability of case managers to schedule individual intake sessions and manage their assigned caseloads. Despite variations in client targeting policies and call-in procedures, each demonstration enrolled only a relatively small proportion, ranging **from** 1 percent to 10 percent, of the mandatory work registrant pool.

Four of the five demonstration states developed policies of giving priority to “high risk” target groups. Members of target groups made up over half of the demonstration participants in each state, but most states also served non-target group members. Four of the five states also gave priority to participation by volunteers. As a result of the active recruitment of volunteers, volunteers made up more than 60

EXHIBIT A
KEY FEATURES OF THE FOOD STAMP E&T/JOBS
CONFORMANCE DEMONSTRATIONS

	Official Demonstration Name	Key Service Features (Compared to Non-Demonstration Sites/Periods)
Georgia's PEACH JET Demonstration	JOBS Employment and Training Program (JET) under the umbrella of the state's Positive Employment and Community Help (PEACH) Program	<ul style="list-style-type: none"> • Expanded supportive services • Often more intensive assessment and case management than comparison sites • Some training purchased directly on behalf of demonstration participants (e.g., on-site adult education classes)
Hawaii's PRIDE Demonstration	Positive Response in Developing Employment (PRIDE)	<ul style="list-style-type: none"> • Health and psycho-social assessments • Efforts by social worker to link participants to services needed to overcome employment barriers • Increased referrals to education and training • Expanded supportive services
Missouri's JET Demonstration	JOBS-Employment and Training Demonstration (JET)	<ul style="list-style-type: none"> • Individualized service planning and case management • Access to demonstration-funded education and training
South Dakota's E&T/JOBS Conformance Demonstration	Family Independence Food Stamp Employment and Training/JOBS Conformance Demonstration	<ul style="list-style-type: none"> • Individual orientation and service planning session • Availability of a broader range of services, including referrals to education and training
Texas' BOND Demonstration	Better Opportunities for New Directions (BOND)	<ul style="list-style-type: none"> • Availability of service sequences appropriate for job-ready and less job-ready clients • Case management services • Increased referrals to education and training • Availability of expanded supportive services for all participants

EXHIBIT A
KEY FEATURES OF THE FOOD STAMP E&T/JOBS
CONFORMANCE DEMONSTRATIONS,
CONTINUED

	Operational Features		
	Scope of Demonstration	Changes in Non-Demonstration Services	Extent of Consolidation with JOBS
Georgia's PEACH JET Demonstration	Implemented in four counties with about 16% of state's Food Stamp population	Statewide E&T program also adopted many aspects of JOBS service design simultaneously with demonstration, including use of JOBS service components	E&T operations consolidated with JOBS throughout state, but separate case managers for E&T caseloads
Hawaii's PRIDE Demonstration	Implemented in one county with about 70% of state Food Stamp cases	Statewide E&T program unchanged	E&T demonstration operated separately from JOBS
Missouri's JET Demonstration	Implemented in eight counties with about 16% of statewide E&T work registrant pool	Statewide E&T program changed somewhat to offer same service components as JOBS	E&T demonstration operated separately from JOBS, but staff trained and supervised by JOBS unit
South Dakota's E&T/JOBS Conformance Demonstration	Implemented in all 20 counties that have operating E&T programs	There was no residual non-demonstration E&T program	Single program operations handbook for E&T and JOBS, but operation of two programs is not consolidated
Texas' BOND Demonstration	Implemented in one county with less than 2% of all state E&T work registrants	Statewide E&T services for job-ready clients also evolved closer to the JOBS design	E&T and JOBS programs consolidated in demonstration site, including the administration of integrated E&T/JOBS caseloads by BOND case managers

EXHIBIT A
KEY FEATURES OF THE FOOD STAMP E&T/JOBS
CONFORMANCE DEMONSTRATIONS,
CONTINUED

	Design for Client Targeting and Participation		
	Policy on Participation by Volunteers	Client Targeting Policies	Limits to Service Capacity
Georgia's PEACH JET Demonstration	Participation by volunteers encouraged; many volunteers have applied for child care services to support training and employment	Services targeted to priority groups modeled after JOBS target groups	
Hawaii's PRIDE Demonstration	Participation by mandatory and exempt volunteers particularly encouraged	Services targeted to priority groups including some JOBS target groups and some local target groups	Participation limited by small caseload size
Missouri's JET Demonstration	Participation by volunteers particularly encouraged	Services targeted to priority groups modeled after JOBS target groups	Participation limited by small caseload size
South Dakota's E&T/JOBS Conformance Demonstration	Participation by volunteers not encouraged	Priority groups similar to JOBS; state would like to call-in all mandatory work registrants	
Texas' BOND Demonstration	Participation by volunteers encouraged	No priority groups established; state targets services to all expected to benefit from participation	Participation in intensive services limited by small caseload size

percent of the demonstration participants in two states and between 30 percent and 40 percent of all participants in the two additional states that encouraged volunteers.

Although it was hoped that the tougher sanctioning policies associated with JOBS would increase participation rates under the demonstrations, not all states achieved this result. In general, the states with lower call-in rates and higher proportions of voluntary participants issued notices of adverse action at a lower rate under the demonstration than previously, while the states that called in high proportions of the mandatory work registrant pool continued to experience high **“no show”** rates. In comparison with previous E&T services, demonstration service designs were distinguished by (1) redesigned and intensified job training and job search components that responded to participants’ need for improved self-confidence and motivation; (2) greater flexibility of service sequences and improved access to education and vocational training opportunities; (3) more thorough assessment, individualized service planning and intensified case management; and (4) availability of enhanced supportive services. All the demonstration states appear to have been successful in increasing the range of training options available to and used by participants. In several states, regular E&T programs were also evolving along similar lines, but, in practice, the demonstration efforts in most states represented a qualitative step forward, away from the **one-size-fits-all** approach and towards individualized services.

The implementation and process evaluation reports document increased participation in education and vocational training by E&T participants as the result of the demonstrations’ individualized service planning processes. The proportion of E&T participants enrolled in educational **activities**—including adult education, **post-secondary** education, and high school—increased under the demonstration in most states. Thus, the JOBS program’s objective of promoting educational development, particularly for young people without a high school education, appeared to have been realized in the demonstrations. However, states appeared to be less successful in boosting opportunities for vocational skills training and on-the-job training.

The shift towards more intensive education and training services was accomplished primarily by linking participants to existing education and training resources in the local community, such as adult education programs, training offered by local post-secondary schools, and JTPA-funded training. Aspects of the demonstration designs that were associated with the increased utilization of education and training services by demonstration participants included: (1) providing of

individualized assessment and counseling by case managers who encouraged participants to pursue education or training when needed; (2) giving priority to participation by volunteers who were already motivated to pursue education or training; (3) requiring individuals under 24 without a high school diploma to participate in education; (4) developing strong non-reimbursable and/or funded referral arrangements between the demonstration and existing community education and training resources; and (5) making available enhanced supportive services that could help support participants while they were in training.

The five demonstration states illustrate several different approaches to allocating available resources among potential program participants and across different program activities. Texas and Georgia each designed *multiple service tracks* that offered services to both job-ready and less job-ready work registrants. Both states decided that it would be desirable to enroll mandatory and exempt volunteers in self-initiated training and support them during training by offering them case management and supportive services. Both states also called in significant numbers of mandatory work registrants for individual job search counseling (Georgia) or group job readiness/job search workshops (Texas).

In contrast to the multiple track systems in Texas and Georgia, Missouri and South Dakota each utilized a single service approach. Missouri's demonstration design was targeted primarily to hard-to-serve exempt and mandatory volunteers who were interested in pursuing further education and training. A very small percentage of the mandatory work registrant caseload was served in this state. South Dakota's design, on the other hand, was targeted almost exclusively to mandatory work registrants. While the menu of services was flexible enough to support participation in education and training when education was identified as part of a participant's employment plans, South Dakota's program was primarily oriented to encourage immediate employment among job-ready clients.

Hawaii was distinctive among the demonstration states because of its broad family-focused and multi-disciplinary service approach. Like Missouri, Hawaii attempted to reach out to the least job-ready individuals among the work registrant pool. However, Hawaii attempted to prepare mandatory work registrants for successful labor market participation by providing referrals to individualized front-end multi-disciplinary assessment of employment barriers, community health and counseling resources, and intensive case management services. The community

resources Hawaii tried to leverage on behalf of its participants included not only education and vocational training resources, but health, mental health, and family support services. After addressing some of these personal employment barriers, participants in Hawaii's E&T demonstration were referred to a combination of job readiness and job search support services supplemented by basic education when needed.

CONCLUSIONS

Assessments of whether the services provided to participants under the conformance demonstrations led to improved outcomes are currently being performed by the states in their impact evaluations and will be reported in **SPR's *Synthesis of Cost and Impact Evaluations***. Without information about how the demonstrations affected participant outcomes, it is difficult to determine whether the demonstrations accomplished their objectives .

The findings from the states' process and implementation evaluations have set the stage for these later studies by describing the implementation experience and detailing differences in client flows and service strategies in demonstration and comparison counties within each state. Because of the unique configuration of each demonstration and its non-demonstration context, the impact evaluation findings will not lend themselves to easy comparisons across the demonstration states. In interpreting **cross-state** differences in impact and cost findings, it will be important to keep in mind the exact differences between the demonstration and non-demonstration interventions in each particular state. For example, impact evaluations in Hawaii and South Dakota are comparing the demonstrations to "old style" E&T operations in a non-demonstration site (Hawaii) or during a pre-demonstration period (South Dakota), whereas the impact evaluations in Georgia, Missouri, and Texas are comparing the demonstrations to transformed E&T programs in non-demonstration sites that had simultaneously adopted a number of the same JOBS program features that characterize the demonstrations.

The experiences of the states participating in the E&T/JOBS Conformance Demonstration have to be reevaluated in terms of their applicability to the new world of welfare-to-work that was finally enacted in August 1996 by the Personal Responsibility and Work Opportunities Reconciliation Act of 1996 (PRWORA). PRWORA replaced AFDC and JOBS with state block grants that provide states with considerable design flexibility but within a context of stringent work participation requirements that not only emphasize "work first" but also place restrictions on how

participation in education will be counted. PRWORA also places a maximum of five years on the receipt of cash assistance under the new program of Temporary Assistance to Needy Families (TANF) and limits the Food Stamp eligibility of able-bodied adults between the ages of 18 and 50 who do not have dependent children to three months out of a three year period, unless they are employed 20 hours a week. In this context, states will be under pressure to design services that place large numbers of TANF recipients in work activities while reserving education and vocational training for limited subgroups, such as teen parent head of households and individuals who simultaneously meet the requirement for 20 hours per week of work participation.

It is not yet clear how the new TANF work requirements and the Food Stamp program eligibility limits will affect various states' decisions on target group strategies and service designs for the E&T program. Possible E&T target groups relevant to the new PRWORA context include individuals without dependent children who are at risk of losing Food Stamp eligibility after three months unless they work at least 20 hours a week, individuals who have recently lost eligibility for cash grants under TANF due to the expiration of their time limit, as well as individuals at risk of long-term Food Stamp reciprocity. In developing E&T service approaches, states will have to choose between an E&T program that conforms with the primary thrust of their Title IV-A **welfare-to-work** program-i.e., a program that encourages widespread participation in services oriented to immediate employment-and an E&T program that offers a variety of services selectively targeted and/or individually matched to meet the widely differing circumstances of different subgroups receiving assistance from the Food Stamp program.

On the one hand, the experience of the states participating in the E&T/JOBS Conformance Demonstration suggests that state E&T service designs that attempt to conform E&T and TANF requirements-where permissible under Department of Agriculture regulations for the E&T **program**—will be administratively feasible. On the other hand, while conformance with TANF work requirements and service designs may simplify the administration of welfare-to-work systems, states would also do well to consider that a number of the conformance demonstration states were able to offer more intensive services to E&T participants who were motivated to improve their **job**-related skills through education or training.

The process evaluations for the E&T/JOBS Conformance Demonstration illustrate how the demonstration states addressed E&T client targeting and program design

choices that now face all states in the context of welfare reform. As the demonstrations in Texas, Georgia, and Hawaii showed, it is feasible to design programs with multiple service tracks that provide large numbers of job-ready clients with services oriented to immediate employment as well as smaller numbers of “hard-to-employ” individuals with services designed to support participation in education and training. Key among the new services offered under the E&T/JOBS Conformance Demonstrations were supportive services , which, in combination with well-developed coordination linkages , enabled participants to attend education or training services available through existing community resources .

As the only remaining form of welfare-to-work programming that offers an uncapped 50 percent match of State expenditures, the E&T program could become an increasingly important source of funds to states that are interested in improving the employability of hard-to-serve individuals who are ineligible for federally-assisted cash assistance to needy families. States’ interests in investing in the future of these households may increase over time, as time limits begin impacting TANF eligibility for increasing numbers of poor Americans

I CONFORMANCE BETWEEN E&T AND JOBS: AN OVERVIEW

HISTORY AND OVERVIEW OF THE DEMONSTRATION

The Food Stamp Employment and Training (E&T) program, initiated by the Food Stamp Act of 1985 and required to be in operation in all states by April 1, 1987, was intended by Congress to increase the employability of program participants by “ [assisting] members of households participating in the Food Stamp program in gaining skills, training, or experience that will increase their ability to obtain regular employment. ” However, the program has been allotted only limited federal funding-it expends less than \$140 million annually-to realize these lofty **goals**.¹ When distributed across the 1.3 million individuals who participate in E&T services in a typical year, the program spends only about \$100 in federal funds, on average, per participant. As a result of cost-sharing requirements, the states contribute additional funds, accounting for another \$60 million in expenditures annually, which increases the total expended to about \$200 million nationally, or about \$150 per participant.

Previous E&T program designs have resulted in large numbers of work registrants receiving minimal services as well as the issuance of large numbers of sanctions for noncompliance .² Prior to FY 1992, E&T program design and client targeting decisions were strongly influenced by federal performance standards requiring states to serve at least 50% of all mandatory nonexempt work registrants **either** by enrolling them in component services or sanctioning them for failure to comply with participation requirements. In response to these federal requirements, most states targeted E&T services broadly to all mandatory work registrants but offered **only** limited services, primarily job search training and individual job search assistance. Furthermore, because sanctioning procedures had no “teeth,” E&T case managers

¹ The Department of Agriculture provides \$75 million annually to the states as 100% **federally-funded** formula grants for the administration and operation of E&T services. Additional federal funds are available on a dollar-for-dollar matching basis to states that want to spend more on E&T operations. The federal government also provides matching funds to states to reimburse participants for the costs of child care and transportation/training expenses, within federal cost limits. Supportive service expenditures in excess of these limits must be provided using nonfederal funds,

² Social Policy Research Associates and SRI International, ***Study of the Food Stamp Employment and Training Program: Operations, Funding, and Coordination***. May 1992.

spent much of their time issuing and curing sanctions, rather than helping participants **find** jobs.³ Perhaps because of the limited services provided to most participants, a net impact study performed during the first year of program operations found that the program had failed to achieve any statistically significant improvements in employment outcomes for E&T participants, compared to what they would have achieved without the **program**.⁴

Thus, at the end of FY 1991, state administrators of the Food Stamp Employment and Training Program faced an important turning point. They were eager for ideas about how to transform the program from one widely perceived as merely an administrative requirement for Food Stamp recipients and a paper-processing nightmare for program staff into a program providing meaningful and effective employment services. Responding to criticisms of the previous E&T program design, the Department of Agriculture opened the door to program redesigns at the state level by reducing the required participation rate standard from 50% to 10% of mandatory work registrants, effective FY 1992.

The Job Opportunities and Basic Skills (JOBS) program for AFDC recipients offered a potentially attractive model to states interested in developing new approaches for the E&T program. At the time that E&T was facing a turning point, the JOBS program was being touted as the answer to improving the employability of AFDC recipients. The JOBS program design

- Utilized selective targeting to emphasize serving to clients who would otherwise be at risk of long-term welfare dependency.
- Emphasized individualized service planning, rather than a “one size fits all” approach.
- Emphasized the improvement of participant employability through the delivery of basic education and vocational training services.
- Built on coordination linkages with basic education and vocational training providers to leverage additional public funds on behalf of program participants .

³ Participants could cure a sanction merely by indicating their willingness to cooperate with the program, without taking meaningful steps to comply.

⁴ Abt Associates, Inc., *Evaluation of the Food Stamp Employment and Training Program Final Report*. June 1990.

In recognition of the need to test new models for E&T design and operations, The Hunger Relief Act of 1991 authorized the Secretary of Agriculture to conduct a demonstration on “conforming the Food Stamp E&T and JOBS programs in 60 project areas.” On March 27, 1992, the Department of Agriculture issued an announcement inviting states to submit proposals for operating their E&T program in selected project areas under the **same** legislative and regulatory terms as the JOBS program.⁵ States were also encouraged to develop partnerships among different employment and training programs to achieve greater coordination between E&T and other programs like the Job Training Partnership Act (JTPA), adult basic education, and vocational education

To conform E&T **participation rules and procedures** to JOBS policies and practices, states interested in participating in the demonstration were permitted to change E&T operations in the following ways:

- **Replace E&T exemption criteria with JOBS exemption criteria.** Key differences were the inclusion in JOBS mandatory work registration rules of individuals responsible for the care of dependent children over 3 years of age (over 1 year of age at state option), rather than over 6 years of age as in E&T requirements, and the inclusion of individuals receiving UI benefits.
- **Give priority to participation by volunteers, subject to resource availability.** The JOBS legislation called for priority both to **exempt work registrants** and **mandatory work registrants who volunteered** prior to being called in for services. One group of volunteers cited in the legislation consisted of mandatory or exempt volunteers already.. enrolled in **self-initiated training** when they entered the program. Individuals in self-initiated training approved by JOBS were eligible to receive supportive services from the JOBS program.
- **Implement selective targeting of clients, following the state’s JOBS example.** For the AFDC population served by JOBS, these target groups included individuals under age 24 without a high school diploma or GED, individuals under age 24 with little or no work experience, individuals who had received AFDC benefits for 36 or more of the 60 months prior to certification, and members of households who were scheduled to lose their AFDC eligibility within two years because their dependent children would “age out” of the program. Under JOBS,

⁵Although the Department of Agriculture encouraged states to propose demonstrations that tested full conformance between the E&T and JOBS programs, states were permitted to submit proposals for limited conformity, if they cited barriers that prevented them from guaranteeing full conformance.

participants in target groups had to account for at least 55% of all program expenditures.

- **Replace E&T sanctioning rules with JOBS sanctioning rules.** These rules were generally perceived as being more stringent than E&T sanctioning policies because they had more serious consequences for the second and third occurrences of noncompliance. However, under JOBS, sanctions applied only to the noncompliant individual, rather than to the entire **household**.⁶

To achieve conformance of E&T **service designs** with JOBS, states were encouraged to:

- **Provide assessment and individual service planning to all participants.** In JOBS, assessment and individual service planning was required for all participants. Under JOBS, states could **define** assessment as a service component for the purposes of computing client participation hours during the first month of JOBS participation.
- **Offer the same service components available to JOBS participants and require clients to participate in at least 24 hours of E&T activities per week.** JOBS service components varied by state but had to include education, job skills training, job readiness activities, and job development and placement assistance, as well as two of the following four optional service components: group or individual job search, **on-**the-job training, work supplementation, and community work experience or another approved work experience program. Case management was also a permitted JOBS service component, at individual state option.
- **Develop non-reimbursable coordination agreements for the delivery of a wide range of education and training services to participants through individual referral arrangements.** To provide more intensive education and training services, the JOBS legislation encouraged programs to develop non-financial coordination agreements with a range of local education and training providers as a supplement to services provided directly with JOBS funds.
- **Use JOBS procedures to match clients to individual or sequenced services.** In contrast to E&T service designs, which often required all enrollees to participate in job search or job search training as the **first** component, JOBS service assignment procedures often were based on

⁶ The JOBS sanctioning rules required participants to complete a 3-month and 6-month sanction period for second and third sanctions, respectively, before they could request to have their benefits reinstated.

an individual assessment of participant needs and participation in multiple services to address identified needs.

- **Require certain participants to enroll in education activities, if these participants had not completed high school.** Under JOBS, mandatory work registrants who were caretakers under 24 years of age were required to participate in GED programs if they had not completed high school. Caretakers under 20 years of age had to participate in education regardless of the ages of their children.
- **Offer supportive services consistent with the state's JOBS supportive service plan.** JOBS programs usually offered a higher level of reimbursement for a broader range of work-related expenses compared to the \$25 per month transportation reimbursement available under E&T (JOBS offered reimbursements for books, uniforms, tuition, automobile repair, and dental work). JOBS also offered more generous child care expense reimbursements.

Each of these program features offered an alternative to the then-common E&T program design of universal targeting with a standardized service sequence that was perceived as not intensive enough to make a difference for most participants. Implementing uniform work registration and sanctioning procedures between E&T and JOBS was attractive because it would enable states to simplify and consolidate **time-**consuming and complex administrative features of the E&T and JOBS programs. In addition, it was hoped that using JOBS' tougher sanctioning procedures for mandatory work registrants in E&T would reduce the rate of noncompliance and free up staff time spent tracking participation and requesting sanctions. Staff could then spend more time providing employment and training services to program participants. States with low AFDC benefit levels-where many JOBS participants became ineligible for AFDC benefits as soon as they obtained a minimum wage job-also were eager to facilitate the transfer of individual participants from JOBS to E&T, and vice versa, without interrupting the delivery of employment and training services, as participants moved between public assistance (PA) and Food Stamps/non-PA status.

In replicating the JOBS service model for E&T participants, states also hoped that they would be able to build on the coordination networks developed by JOBS to leverage funds from other programs-such as the JTPA and adult education **systems**—to pay for the education and vocational training services received by program participants. In addition, the possibility of service consolidation for E&T and JOBS offered the potential to realize cost savings in the delivery of services for both JOBS and E&T through economies of scale. Although they were recognized to be potentially

expensive, the enhanced supportive services available under JO

some states to be key to increasing participant access to more

trainingservices.

Five states were ultimately selected for partic

E&T/JOBS Conformance Demonstration

included the following:

- Georgia's JOBS Employment and

under the umbrella of the state's F

Help(PEACH)Program.

- Hawaii's Positive Response in Dev

Under a cooperative agreement with each demonstration state, the Department of Agriculture authorized the conformance demonstrations in designated project areas and provided each state between \$500,000 and \$600,000 to cover the increased costs of demonstration activities, including the increased costs of enhanced supportive services for demonstration participants. The cooperative agreements also specified that each state should select an independent evaluator and conduct an evaluation of the demonstration

Within the common framework established by the demonstration guidelines and shared state objectives, the demonstration states varied substantially in:

- The number of local E&T sites (and percentage of all statewide work registrants) involved in the demonstration.
- How priority target groups were defined, how potential participants were selected or recruited for services, and the extent that participation by volunteers was attempted and/or achieved.
- The particular service components available to demonstration participants, and how participants were matched to services.
- Whether the demonstration involved actual consolidation of E&T operations with JOBS or the operation of separate but parallel programs .

The demonstration states also varied in whether they transformed their statewide E&T program at about the same time as, but independently of, the demonstration, or whether they retained the “old style” broadly-targeted services in non-demonstration counties. To some extent, states could model their E&T programs after the JOBS model without receiving waivers from the Department of Agriculture. Under the E&T program rules in effect starting in FY 1992, states could adopt JOBS service components, implement selective client targeting policies similar to the JOBS target groups, and consolidate the delivery of E&T and JOBS services through integrated service contracts or the use of integrated in-house employment and training units. In fact, three of the five states that were selected for participation in the E&T/JOBS Conformance Demonstration (Missouri, Texas, and Georgia) adopted client targeting and service offerings modeled after their JOBS programs for their E&T programs on a statewide basis. ***However, without an official demonstration waiver, states could not use JOBS work registration or sanctioning criteria or receive federal support for the cost of enhanced supportive services for E&T participants.***

OVERVIEW OF THE EVALUATION

To document the key similarities and differences among the demonstration designs tested in the participating states, learn about the challenges the states faced and the lessons they learned during the implementation process, and assess the extent to which full conformance with JOBS was achieved, the Department of Agriculture required each participating state to conduct its own evaluation of the demonstration implementation and process, using an independent evaluator. In addition, states were required to conduct evaluations of demonstration costs and impacts. The Department selected Social Policy Research Associates (SPR) as the national evaluation and technical assistance contractor to assist the states in conducting their local evaluations and synthesize the evaluation findings across the participating states.

Over the last four years, SPR has reviewed state evaluation plans and provided suggestions to increase the soundness of individual state evaluations and promote consistency and comparability across states in four evaluation areas. Each state is completing: (1) **an implementation evaluation** describing the challenges faced during demonstration planning, start-up, and operations and how they were resolved; (2) a **process evaluation** describing key demonstration features and operational procedures and how they differ from the E&T program in place prior to the demonstration or in non-demonstration counties; (3) a **cost evaluation** assessing how total and per participant costs changed as a result of the demonstration; and (4) an **impact evaluation**, assessing how participant outcomes have changed as a result of the demonstration. This report comprises the synthesis of findings from the state implementation and process evaluations. A separate report scheduled for completion in the spring of 1997 will synthesize the findings from the state cost and impact evaluations.

The key questions addressed by the implementation evaluations included the following:

- Is it feasible to achieve conformance between the Food Stamp E&T program and the JOBS program?
- What changes were necessary to implement the demonstration in each state?
- What barriers or problems were encountered and how were they resolved?

The key questions addressed by the process evaluations included the following:

- How did the demonstrations affect E&T participation patterns?

- What were the client targeting and selection policies and practices under the demonstrations and how did they differ from policies and practices in non-demonstration or pre-demonstration sites/periods?
- What were the characteristics of demonstration participants and how did they differ from the characteristics of E&T participants in non-demonstration or pre-demonstration sites/periods?
- How did clients flow through demonstration services and how did client flow differ between the demonstration and **non-**demonstration or pre-demonstration sites/periods?
- How did the demonstrations affect the utilization of E&T services?
 - What were the services available to demonstration participants and how did they differ from the services available in **non-**demonstration or pre-demonstration sites/periods?
 - What were the patterns of service utilization under the demonstration and how did they differ from the patterns in **non-**demonstration or pre-demonstration sites/periods?
 - To what extent did demonstration participants utilize educational and vocational training services through non-financial referrals and how did this differ from non-demonstration or **pre-**demonstration sites/periods?

OVERVIEW OF THE REPORT

The contents of this report are based on written evaluation reports prepared by the demonstration states and their independent local **evaluators**,⁹ as well as on information collected by SPR over the course of our four-year technical assistance efforts on behalf of the demonstration states. During the demonstration period, SPR staff visited state administrators and observed local site operations to familiarize ourselves with demonstration designs and operations. However, the states and their independent evaluators provided the definitive detailed information on the individual state demonstrations. We acknowledge their hard work in conducting the state evaluations from which the findings in this report are drawn.

In Chapter II, we review the findings from the state implementation evaluations. This chapter describes how the demonstration states prepared for demonstration **start-**

⁹ A list of references at the end of this report details the state evaluation reports on which this synthesis report is based.

up, the challenges they encountered during the planning and operational phases of the demonstration, and how the challenges were resolved.

In Chapter III, we review the findings from the state process evaluations. This chapter describes the key features of the demonstrations in terms of participation policies and patterns, available services, and service utilization patterns. For each of these key project dimensions, we describe the demonstration features as well as the demonstration context, in the form of the E&T programs that were in place prior to the demonstrations and the features of E&T operations in non-demonstration counties.

In the final chapter, we discuss the implications of the process and implementation evaluation findings, including the feasibility of conforming E&T and JOBS, the strengths and weaknesses of the alternative approaches to conformance taken in the different states, and how the lessons learned from the demonstration might apply in the rapidly changing context of welfare reform and the consolidation of workforce development services across multiple programs and funding streams. We also discuss how the findings from the process study will influence and support the interpretation of findings from the state cost and impact evaluations.

As an appendix to this report, we have prepared summaries of the key features of the conformance demonstrations in each of the participating states. We invite the reader to consult these state profiles for expanded discussions of state-specific issues summarized in the rest of the report.

II THE IMPLEMENTATION EXPERIENCE

INTRODUCTION

As part of their evaluations of the conformance demonstration, each state conducted an implementation analysis designed to: (1) document the changes made to conform the operation of the Food Stamp E&T program to JOBS rules and regulations, and (2) describe any barriers to implementation and how they were addressed. Early results from each state's implementation evaluation were available to assist the states in fine-tuning their implementation designs. The implementation findings synthesized in this report are intended to assist FCS and all states in deciding whether E&T/JOBS conformance is feasible and how to overcome federal and state barriers to consolidation of welfare-to-work programs.

Methods used by the states to conduct their implementation evaluations varied. In Georgia, South Dakota, and Missouri, staff from the state agencies responsible for administering the demonstration designed and conducted in-house implementation evaluations. In Hawaii and Texas, outside evaluators were hired to design and conduct implementation evaluations.¹ Across the demonstration states, the data collection methods at the state level included reviews of written program rules and regulations and discussions with key staff responsible for different aspects of the demonstration. Information about the local implementation experience was collected through telephone or face-to-face discussions with staff in selected service sites, or, in two states, by the completion of written questionnaires by local site staff. Implementation evaluators also reviewed statistical reports summarizing participation patterns and service utilization over time.

PLANNING, PREPARATION, AND START-UP

The demonstration states varied widely in the number of counties and proportion of their statewide E&T programs included in the conformance demonstration. Administrators in three of the five states (South Dakota, Hawaii, and Missouri) viewed the demonstration, at least initially, as an initiative to transform their entire state E&T

¹The outside evaluator in Hawaii provided the state with an interim process evaluation report, but was not able to complete the evaluation because she moved from the state. The process report in Hawaii was completed by staff within the Department of Human Services.

system.² South Dakota included all 20 counties with operating E&T services in the demonstration from the beginning. Hawaii initiated the demonstration in its largest county (Oahu), which had about 70 percent of the state's Food Stamp cases, and planned to phase in the rest of the state during subsequent years. Missouri also planned to expand the demonstration over time as part of a plan to consolidate E&T and JOBS operations statewide. However, because of state budget cuts (in Hawaii) and changes in the demonstration staffing arrangements combined with implementation delays (in Missouri), only South Dakota actually realized full statewide operation of its conformance demonstration. In Missouri, the 8 counties ultimately included in the JET demonstration accounted for about 16 percent of the state's work registrant pool.

Several of the states that attempted to implement the conformance demonstration on a relatively large geographic scale made some exceptions to full conformance between E&T and JOBS in recognition of the fact that the federal funding available to the E&T system was so much lower than the federal funding for the JOBS program. Both South Dakota and Missouri depended on state child-care block grants for the delivery of child care assistance to demonstration participants, rather than using demonstration funds to expand the availability of these services.³ In South Dakota, costs were also contained by exempting individuals in self-initiated training from mandatory participation in the demonstration and restricting access to supportive services to mandatory participants. Cost containment in Missouri was also achieved by enrolling only a limited number of demonstration participants.

In Hawaii, the state was prepared to increase substantially the state's financial investment in E&T in order to achieve enriched services through the use of a multi-disciplinary case management and employment services team. However, severe state budget woes led to the premature dismantling of the multi-agency collaborative team offering demonstration services in July of 1995. In retrospect, Hawaii staff said they might have been too ambitious when they decided to implement the demonstration in two service units on the island of Oahu rather than in a single unit.

²**Georgia** was also interested in adopting many of the JOBS design features for its E&T program on a statewide basis. However, given the high cost of providing enhanced child care and other supportive services to demonstration participants, Georgia proposed to include only four counties in the official conformance demonstration.

³**Toward** the end of the demonstration period, one of the counties participating in the Missouri demonstration requested and received permission to fund child care expenses using demonstration **funds**.

In contrast, Georgia and Texas entered the demonstration as a way to test the feasibility of conforming E&T and JOBS operations on a much more limited geographic scale, in recognition of the fact that the JOBS service model would be more expensive to operate. Texas selected a single county representing less than 2 percent of the work registrants in counties with operating E&T programs. Georgia selected four counties representing less than one-fifth of the statewide Food Stamp caseload population. Within these more limited project areas, both Georgia and Texas set about to test full conformance between E&T and JOBS, including not only conformed service models but integrated staffing arrangements. Each of these states offered demonstration participants access to the full JOBS menu of transportation and other supportive services, including child care (with the exception of transitional child care services).

The scope of the demonstration projects influenced not only the design and cost of the conformance demonstrations in the different states, but also the logistical challenges the states faced in preparing and starting up demonstration operations. Each of the demonstration states prepared for the conformance demonstration by:

(1) redesigning program policies and procedures, (2) redesigning MIS and reporting systems, (3) arranging for staff to deliver demonstration services and training staff for their new responsibilities, and, in several cases, (4) developing new physical facilities or communication infrastructure for the delivery of demonstration services.

Overall, several of the demonstration states—including Texas, **South Dakota**, and Georgia—accomplished planning for conformance between E&T and JOBS and initial start-up of demonstration operations with few major problems. In contrast, Hawaii and Missouri experienced unexpected delays in hiring or contracting for new service staff to provide demonstration services. Below, we describe variations in how the demonstration states planned for implementation, problems that were encountered, and how they were resolved.

Redesigning Program Policies and Procedures

In each of the demonstration states, JOBS policies, procedures, and forms provided the framework for the development of policies and procedures for the conformance demonstration. In Missouri, South Dakota, Texas, and Georgia, the state procedures manual for JOBS was adapted to perform double duty for both JOBS and the E&T conformance demonstration. In Hawaii, a separate PRIDE procedures manual was developed, patterned after the JOBS program manual.

In South Dakota and Missouri, which maintained separate E&T and JOBS operations under the demonstration, the state JOBS procedures manuals were revised to cover any residual differences between the E&T and JOBS programs. For example, in Missouri, the procedures manual indicated that E&T demonstration participants were not eligible for demonstration-funded child care assistance, but should be referred to state block-grant child care providers. In South Dakota, planning staff prepared separate instruction guides and "desk aids" for use by the field staff responsible for the E&T demonstration and JOBS.

In Texas, an interagency policy review team developed procedures for serving E&T and JOBS participants as part of an integrated BOND caseload receiving consolidated services in a single demonstration county. Case managers and contractor staff providing employment and training services to BOND participants generally did not have to pay attention to which assistance program (AFDC or Food Stamps/non-public assistance) had referred individuals to the BOND program, because E&T and JOBS participants received the same BOND services following JOBS policies and regulations.

The demonstration states required different amounts of lead time for planning the demonstration. The conformance demonstration was operational in two states (South Dakota and Georgia) by April 1, 1993, only six months after the demonstration awards were announced by the U.S. Department of Agriculture. In contrast, staff in Texas carried out an extended planning period that called for active participation by state and local interagency teams in demonstration planning. The longer lead time in Texas also permitted the state's independent evaluator to capture "baseline" measurements of the pre-demonstration system. Demonstration start-up in Texas occurred as planned on October 1, 1993, twelve months after the demonstration announcement.

Texas staff, in particular, identified an extended planning period with strong interagency participation as a factor that supported the subsequent smooth implementation of the BOND demonstration in Texas. In Texas, the Texas Employment Commission (the primary E&T contractor) was a full partner in the planning process along with the Texas Department of Human Services. Both Texas and Georgia staff emphasized the importance of involving both state and local demonstration staff in the planning process to secure staff "buy in" to the overall concept of the demonstration at all levels and to brainstorm and address potential implementation difficulties before they arose.

Although Hawaii also convened an interagency task force prior to implementing the conformance demonstration, this state experienced some start-up difficulties in forging a unified interagency team for the delivery of E&T services at the local level. Local field staff provided under a contract with the Hawaii Department of Labor and Industrial Relations (DLIR) had traditionally been the sole service providers of E&T services prior to the demonstration. At the outset of the demonstration, these staff had some difficulty adjusting to the fact that they were now part of an interagency team in which DLIR and Department of Human Services staff shared service delivery responsibilities as part of an integrated PRIDE services unit.

Missouri experienced substantial start-up delays after the state legislature failed to approve the creation of new case management positions within the Department of Social Services to serve demonstration participants . As described below under **staffing** arrangements, Missouri ultimately developed contracts with two different outside agencies to provide staff for the demonstration. Once they were hired, these contract staff utilized revised JOBS procedures manuals to guide their day-to-day operations.

Redesigning MIS and Reporting Systems

MIS for Demonstration Participants

In addition to planning for the implementation of demonstration policies and procedures, demonstration planning teams had to develop management information systems (MIS) and reporting procedures for their conformance demonstrations. Four of the five demonstration states (Missouri, Hawaii, Texas, and South Dakota) adapted their statewide JOBS MIS and reporting systems for collecting and reporting information on conformance demonstration participants. South Dakota and Hawaii also continued to rely on MIS systems maintained by their E&T contractors (their respective state departments of labor) to capture information on services and outcomes for demonstration participants. In contrast, Georgia developed a new PC-based MIS system that included information on all work registrants screened for participation in its PEACH JET demonstration.

MIS development and implementation for the conformance demonstration was a relatively smooth process in Texas and South Dakota, because the MIS systems developed for JOBS were already up and running. Once a few revisions were made (e.g., the addition of a new code to distinguish E&T from JOBS participants), these systems could support the data collection and reporting functions for the demonstration. However, in both Hawaii and Missouri, the state's JOBS information systems were

undergoing major development or revision at the time the demonstration was being planned. As a result, in both states, the conformance demonstration was implemented before the automated MIS system was operational. This created an extra paperwork burden for demonstration service staff, who had to maintain "hard copy" records until the automated system was available. It also hampered policy and administrative staff, who lacked access to summary reports about demonstration operations during the critical start-up phase.

Because administrative staff in Georgia developed a new MIS system for the demonstration, they were not dependent on outside systems to accommodate the information collection and reporting needs of the demonstration. However, the development of a new system created its own challenges, including the training of staff to use the new system and the development of quality review procedures to ensure that the system provided meaningful information. The development of a totally new information system for the demonstration also hampered the efforts of the state's impact evaluator to obtain comparable data for participants in demonstration and **non-**demonstration counties.

MIS for Referral of Targeted Work Registrants

In addition to developing an information system to report on demonstration participants once they were enrolled, each state had to develop an automated system to support the recruitment and referral of targeted work registrants into demonstration services. During the planning phase, each demonstration state developed a procedure to identify target group members and inform service providers about potential participants, their priority group status, and their status as voluntary or mandatory work registrants. The resulting systems accomplished their overall objectives, but several operational problems remained.

Minor problems with automated referral procedures were easily resolved. Initial referral lists provided to E&T staff in South Dakota were not sorted by target group and were difficult for case management staff to use in deciding whom to call in for services; subsequent lists were sorted by target group. In Georgia, there was some initial confusion among eligibility workers about assigning target group status. This problem was resolved through additional staff training.

Other problems with the operation of automated referral systems could not be so easily resolved. One problem, experienced in a number of demonstration states, was

the high rate of inappropriate referrals. Unlike the referral of targeted JOBS participants, whose benefit status was likely to remain stable over a number of months, referrals of targeted E&T work registrants included high proportions of individuals who were no longer eligible for services by the time they were called in. Because of the low response rate to call-ins and the high rate of exemptions among individuals who did show up in response to call-in notices, staff in Hawaii's PRIDE program began to check lists of referrals manually against the state's Food Stamp benefits automated system before sending out call-in notices.⁴ In Georgia, where referrals were not screened by hand before call-in, over 50 percent of those who responded to call-in notices were found to be ineligible because they were no longer receiving Food Stamps or were exempt. The implementation of a selective targeting policy for E&T was based on the assumption that automated records could be used to identify participants who would be most able to benefit from demonstration services. The high rate of inappropriate referrals experienced in the demonstration states calls that assumption into question.

Identifying Staffing Arrangements and Training Demonstration Staff

Developing arrangements with contractors for the staffing of demonstration services and/or hiring in-house staff were two of the biggest implementation tasks facing the demonstration states. Once demonstration staff were identified, staff training was a key to demonstration success. Staff turnover at the state and local level provided an unexpected challenge in several states, particularly in states where **the positions** were categorized as temporary jobs, due to the limited period of demonstration operations.

Staffing Arrangements

In South Dakota, Georgia, and Texas, demonstration services were staffed using already existing delivery systems and/or contractual relationships. South Dakota retained the state Department of Labor (its previous E&T contractor as well as the state JOBS contractor) as its contractor for the demonstration. In South Dakota, local Job Service offices continued to designate one or more specific staff members to serve E&T participants.

⁴**Prior** to the implementation of manual screening, during one reporting period 1,197 out of 1,339 referrals were determined to be exempt or had become ineligible for Food Stamps.

In Georgia and Texas, the service delivery structure built on existing JOBS service delivery systems, into which E&T operations were integrated. In Georgia, local welfare offices were instructed to consolidate JOBS and E&T operations starting in FY 1993. This consolidated delivery system was used for the delivery of JOBS and E&T services statewide, and provided the framework for **staffing** the demonstration in the four demonstration counties. In Texas, the demonstration was used to expand the existing JOBS delivery system, which depended upon the coordinated delivery of services by case managers from the Department of Human Resources (DHR) and contracted employment facilitators from the Texas Employment Commission (TEC).⁵ DHR created additional case manager positions to meet the needs of the combined JOBS and E&T caseloads under the BOND demonstration. To promote interagency coordination and the delivery of seamless services to BOND participants, DHS group case managers were co-housed at the same facility as TEC employment facilitators. In both Georgia and Texas, a number of the staff who had previously served E&T participants were absorbed into the consolidated JOBS/E&T systems.

In Missouri and Hawaii, entirely new service delivery arrangements were developed for the operation of the conformance demonstration. In Missouri, after the state legislature declined to fund new case **management positions** within the Department of Social Services (DSS), DSS turned to administrators of two JTPA service delivery areas (**SDAs**) as outside contractors for the provision of case management staff to operate the demonstration. During an initial program year, 'the state Department of Jobs and Training Development was an intermediary in the contracting arrangement. Subsequently, DSS contracted directly with the local **SDAs**. A total of three case management positions were created for provision of JET services in the eight demonstration counties. New staff were recruited and hired into these positions. Although staff were nominally employees of the local **SDAs**, primary staff supervision and training was provided by supervisors in the local DSS JOBS unit. The DSS demonstration administrator explained that although they are not officially DSS staff, "the JET case managers think, act, and work like JOBS case managers."

In Hawaii, the Department of Human Services hired new staff or reassigned interested existing staff to newly created staff positions in two local demonstration

⁵**Now** the Texas Workforce Commission, under a significant statewide governmental reorganization plan.

service units. Staff positions in the PRIDE units included two unit supervisors, ten case managers, two social workers, and two secretaries. These new staff were part of a larger interdisciplinary team also consisting of employment counselors assigned to the demonstration under a contract with the state Department of Labor and Industrial Relations and public health nurses available on a consultant basis. However, because positions in the demonstration unit were identified as time-limited positions, it was more difficult than usual to fill these jobs.

Staff Training

All demonstration states prepared staff for their new jobs by providing them with training developed for JOBS personnel, including training in JOBS policies and procedures and forms completion. In most states, this included attendance at an initial 1 to 3 day training session, followed by periodic local office training sessions as well as attendance at annual training sessions. In states with consolidated E&T and JOBS operations (Texas and Georgia), experienced JOBS staff also provided peer and supervisorial support for new staff inexperienced with JOBS. In Missouri, even though the JET case managers were not employed by DSS, the state informally assigned them to the local JOBS unit, where they received supervision and consultation from the JOBS unit supervisor and participated in staff meetings and training conferences. This arrangement provided a professional support network for JET staff.

In their implementation evaluation reports, several states emphasized the importance of including a wide variety of agencies and staff from a variety of positions in the staff training sessions held prior to demonstration start-up. For example, Texas included in BOND training for all Department of Human Services (DHS) income maintenance staff, as well as DHS case management staff and Texas Employment Commission employment facilitators, so that all staff could understand how each of their roles affected the entire service system. Georgia also emphasized the importance of involving eligibility workers in training to ensure that they would be committed to the program, knowledgeable about the services available through the demonstration, and able to present a positive first impression to mandatory registrants and potential volunteers. Eligibility workers in Georgia were also described as key players in providing E&T operators with updated information about household benefits and earnings status. In addition, their cooperation was needed for effective follow-through on requests for sanctions.

Texas and Hawaii, both of which developed multi-agency teams for the delivery of demonstration services, also emphasized the importance of cross-training staff in multiple roles to develop a “team approach” among the different agency participants. For example, the employment counselors in Hawaii’s PRIDE program experienced some difficulties working as members of the multi-agency multi-disciplinary team developed for the demonstration, since they had previously been used to being the sole E&T staff responsible for all aspects of program services. In Texas’s BOND program, Department of Human Services case managers and Texas Employment Commission employment facilitators were both perceived by clients as playing important customer support functions. Texas staff identified the largest single challenge faced by the integrated services team as “converting initially resistant clients into willing participants through open communication and articulation of the potential benefits of the program in which staff believed. ” Meeting this challenge required a high level of staff morale as well as good relations among staff and between staff and clients.

The importance of good communication and “people skills” was referenced by a number of the programs as a prerequisite for effective staff functioning under the demonstration. Rather than processing large numbers of participants through a standardized service sequence, as had occurred under the pre-demonstration E&T design in most states, demonstration staff were called on to establish personal relationships with participants and support them in developing individual career plans and goals. These counseling and coaching skills did not come naturally to all staff who had been carried over from the previous E&T program, but had to be supported through staff training.

Problems with Staff Turnover

Staff turnover after the start-up of the demonstration created a significant problem in several states. Hawaii’s PRIDE units were particularly susceptible to staff turnover because the program was staffed by new positions that had been designated by the state as “limited term appointments. ” Over the course of the demonstration, the program lost a number of case managers, one social worker, and at least one secretary due to staff turnover. Staff turnover was also referenced as a problem in the implementation evaluation reports prepared by Georgia and Missouri.

Staff turnover created several challenges for the conformance demonstrations. First, turnover created a need to repeat staff training starting with the basics of program design and procedures. Second, it made it difficult for some of the

demonstrations to service and replenish their caseloads and limited the number of participants ultimately served. In Hawaii, the loss of a social worker created a “bottleneck” in services at a time when social worker appointments were already backlogged with a two-week delay. The loss of a unit secretary at another point made it difficult for staff to send out call-in letters and other required communications.

Developing Facilities and Equipment to Support the Delivery of Services

Several states found that the development of new facilities was essential to the implementation of the demonstration. The implementation of the demonstration in Hawaii required the two combined Department of Human Services/Department of Labor and Industrial Relations PRIDE units to relocate to new facilities because of the number of staff that had to be accommodated in each unit. As part of preparation for demonstration start-up, administrative staff were involved in securing office space, leasing furniture, purchasing computer equipment, and arranging for the installation of telephone lines .

In Texas, the two agencies involved in the implementation of the BOND demonstration-the Department of Human Resources and the Texas Employment Commission-also leased new space to house the BOND staff assigned **from** both agencies. The selection of a service site located in an attractive commercial office setting was perceived to be important in communicating the positive “real world” work orientation of the BOND demonstration program to participants. ..

In Missouri’s “Bootheel” area, two case managers were responsible for a **seven-**county service area. The state arranged for these staff to work out of their homes and provided them with a communication infrastructure to support their “roving” mode of operations. To enable them to communicate with Department of Social Services (DSS) and local JTPA Service Delivery Area (SDA) staff at a distance, JET case managers were given access to electronic mail at the DSS field offices. To enable them to communicate with clients and other agencies while on the road, they were provided with cellular phones. In addition, an “800” telephone number was established to enable clients to get in touch with the case managers without giving out their home phone numbers.

P **ROGRAM**

O **PERATIONS**

All five demonstration states appeared to be
realized their intended service designs.

and procedures under the state demonstrations greatly simplified
who had to work with the participants of both programs.

inadvertently caused increased confusion for E&T staff who had
responsible for serving E&T clients in both demonstration areas
counties, as was the case in some local offices in Missouri and

Demonstration operations were perceived by
meaningful services to participants who were more motivated

demonstrations made it difficult for states to call in all mandatory work registrants, or even all targeted work registrants. This situation was not perceived as problematic in states such as Missouri or Hawaii, each of which wanted to enroll a limited number of hard-to-serve work registrants into more intensive services. However, South Dakota,, Georgia, and Texas were eager to reach a significant proportion of the targeted work registrant population, particularly after an initial start-up period. In Georgia, all four demonstration counties found they had the capacity to call in all new mandatory target group referrals each month; one demonstration county called in all referred mandatory work registrants. South Dakota was particularly interested in continuing to call in all mandatory work registrants. When its largest urban county found that it did not have enough E&T staff to call in all work registrants, the state arranged for the assignment of additional demonstration staff to that county.

Difficulties in Matching Participants to Appropriate Services

In Texas, although services developed for the JOBS clientele were generally well received by E&T participants in the BOND demonstration, two problems were experienced in matching demonstration participants to appropriate services. The first problem occurred with “life skills” training, which had been developed for a largely female JOBS caseload. Although efforts were made to adapt this curriculum for both genders under the demonstration, males did not find this curriculum very relevant to their life concerns. A second difficulty arose as a result of a scarcity of local vocational skills training resources appropriate for “non-college-bound” individuals. Case managers did not have much to offer JOBS or E&T participants who lacked specific vocational skills but for whom training programs in an academic setting (e.g. , a two-year certificate program at a local community college or vocational technical school) was not realistic.

Georgia reported that work registrants under age 24 who lacked a high school diploma were particularly difficult to match to educational services, as required by JOBS rules. Operational problems resulting from this requirement were two-fold. First, not all demonstration counties had available local resources to support attendance by control group members in educational programs.⁶ Second, participation in

⁶In the four demonstration counties in Georgia, expanded supportive services (including tuition payments) were available to treatment group members only. Control group members might be required to attend education services under the demonstration but were ineligible for tuition support payments.

educational activities frequently conflicted with participants' desire for employment rather than education. As a result, mandatory participants were sometimes disruptive in class.

Georgia administrative staff also expressed some surprise at the large number of demonstration volunteers who appeared to be motivated primarily or solely by the desire to access child care services while in training or during the first ninety days of employment. The size of this group and the significant proportion of demonstration resources they consumed raised questions about the allocation of resources across different target groups.

Some demonstration staff in Georgia were also concerned to achieve equity of services between treatment and control group members. The state reported that, rather than denying education and training opportunities to control group members, case managers in some counties reserved all "free" educational resources for control group members and used the expanded supportive services funding available under the demonstration to pay tuition for education or training for treatment group members. While this did not result in the provision of inappropriate services to demonstration participants, it may have undermined the distinction between treatment and control group services that the state was trying to maintain for evaluation purposes.

Disappointing Results of JOBS Sanctioning Procedures

Implementation of strengthened sanctioning provisions under the demonstration does not appear to have resulted in improved program participation rates 'among E&T participants. Instead, demonstration sites continued to experience high no-show rates in response to call-in notices. Staff in several states hypothesized that the strengthened sanctioning provisions, in combination with required participation in longer or more intensive services, may have caused some Food Stamp work registrants to choose to terminate their Food Stamp benefits rather than participate in demonstration services.

The conformance of JOBS and E&T sanctioning procedures also had an unanticipated effect on JOBS participants. All demonstration states reported that the conformance of Food Stamps and JOBS work requirements and sanctioning policies had enabled them to include both Food Stamp benefits and AFDC benefits in the sanctions for noncompliance among JOBS participants. In contrast to the lack of the hoped-for effect on E&T participation rates, this substantial toughening of the

sanctioning provisions for JOBS participants was perceived to have been a significant factor in improving participation in the JOBS program.

SUMMARY

The implementation experiences of the five demonstration states indicate that conformance of the rules and regulations of the E&T and JOBS programs is feasible. States that tested conformance on a large geographic scale sometimes had to place limits on the services available to participants (particularly supportive services) to constrain demonstration costs. States that tested conformance on a more limited basis were able to achieve full conformance and consolidation of JOBS and E&T operations. Demonstration operations were perceived by staff in most states as having improved the ability of the E&T program to provide meaningful services to motivated participants.

The demonstrations were able to adapt policies and procedures as well as MIS and reporting systems developed for the JOBS program. These systems worked well when they were already operational. In several instances, however, the demonstrations were inconvenienced because JOBS information and reporting systems were in the process of development or revision. Staffing arrangements were particularly time consuming in the two states that created new service delivery systems for the demonstration. In several states, staff turnover after demonstration start-up created operational challenges .

Perhaps the most striking operational issue identified by the implementation evaluation was the widespread difficulty in identifying and recruiting appropriate participants. In all participating states, a low percentage of mandatory work registrants responded to call-in notices and a substantial percentage of the referred work registrants were found to be already off Food Stamps or exempt by the time their status was assessed by work program staff. Demonstration staff hypothesized that the low response to call-in notices by mandatory work registrants under the demonstrations reflected both the rapid turnover of the Food Stamp caseload in the normal course of events and the deterrent effect of longer or more intensive job search requirements and stronger sanctions for nonparticipation in E&T activities .⁷

⁷The impact evaluations will not be able to shed much light on the deterrence hypothesis because, in all but one demonstration state, they were limited to assessing how the demonstration affected outcomes for individuals who actually received demonstration services.

In the next chapter, we describe how the demonstration transformed the participation patterns and services provided to participants. The cost and impact evaluations currently underway in each of the demonstration states will address whether conformance resulted in improved outcomes for participants or reduced costs to taxpayers.

III FEATURES OF THE CONFORMANCE DEMONSTRATIONS

INTRODUCTION

The process evaluations conducted by each demonstration state described the demonstration design and operations within the demonstration site(s) as well as the E&T system that would have been in place in the absence of the demonstration. Texas, Georgia, and Hawaii identified specific non-demonstration counties as “comparison counties” for the purpose of describing the non-demonstration E&T context.¹ In Missouri, the balance of the state was selected for comparison with the eight demonstration counties. Because South Dakota had included its entire statewide E&T operations in the demonstration, the pre-demonstration period was used to provide a point of reference for the demonstration.

In Georgia, South Dakota, and Missouri, state agency staff completed the process evaluation reports. Process reports in South Dakota and Georgia were based on information about local demonstration operations obtained from written documents and responses to questionnaires completed by direct service staff and their supervisors, supplemented by on-site observations by state office administrative staff. In Missouri, information for the process evaluation was compiled by a new state administrator based on written materials and telephone discussions with demonstration staff and key **state-level** actors. In Hawaii and Texas, outside evaluators conducted extensive field observations and discussions with state and local staff and prepared detailed descriptions of program design and operations.

In synthesizing the information from the process evaluations, SPR has tried to highlight both common features and differences across the demonstration states. The five states participating in the Food Stamp E&T/JOBS conformance demonstration shared the goals of simplifying **administrative** procedures across different **welfare-to-work** programs, focusing limited E&T program resources on individuals most likely to benefit from services, and expanding the range and intensity of E&T services available to Food Stamp work registrants. All five states used the JOBS program design as the

¹ The comparison counties also provide a framework for comparing program costs and outcomes between demonstration and non-demonstration operations in the cost and impact evaluations.

model for redesigning E&T work requirements, client targeting and selection procedures, and service offerings. There were significant differences, however, in the details of the conformance demonstrations implemented in the five states. In this chapter, we review the key features of the state demonstrations in the areas of (1) client targeting policies and resulting participation patterns and (2) service design and utilization. For each program element, we discuss how the demonstration designs differed from the E&T programs in place prior to the demonstration as well as from the non-demonstration E&T programs operating during the study period.

CLIENT TARGETING POLICIES

The State Context for the Demonstrations

Prior to FY 1992, all five participating states operated E&T programs that attempted to reach the universe of mandatory work registrants. These broad client targeting policies were driven by the U.S. Department of Agriculture's participation rate performance standard, which required states to enroll or issue notices of noncompliance to at least 50 percent of all mandatory nonexempt work registrants.² Although permitted by federal law, participation by volunteers (individuals exempt from work registration) was not emphasized.

Beginning in FY 1992, the Department of Agriculture substantially modified its participation rate performance standard, by lowering the national performance standard to 10 percent. This policy change recognized that universal targeting had resulted in the delivery of low-cost/low intensity E&T services. The modified performance expectation was intended to give individual states the latitude to implement more intensive services by targeting services more narrowly to specific subgroups within the work registrant population. As a result of the change in federal policy, a number of states amended their statewide E&T plans to reach a smaller subset of the total work registrant population. Among the five demonstration states, formal statewide targeting policies were amended in Georgia and Texas.

- Beginning in March 1993, Georgia implemented selective targeting for the E&T program on a statewide basis using the priority target groups developed for the PEACH JET demonstration (described below).

² The actual formula for computing participation rates under the E&T program gives equal credit for entry into an E&T service component and issuance of a "notice of adverse action" for failure to respond to a mandatory call-in notice or failure to comply with the participation requirements of an assigned component. States meet the performance standard through a mix of services and sanctions.

According to the new targeting policy, mandatory work registrants who belonged to six priority target groups were called in for services before members of non-target groups. Members of non-target groups could be called in on a space-available basis.

- Starting in FY 1993, Texas implemented a statewide selection procedure for E&T (following a system already implemented for JOBS) that sorted work registrants into “service levels” based on their previous education and work histories. Work registrants with at least eighth grade completion and some recent work experience were referred to E&T services, while work registrants with significant employment barriers or less than an 8th grade education and no recent work history or training were not required to participate.

Although it did not specify any particular target groups for its statewide E&T program, Missouri also amended its non-demonstration participant selection and call-in practices in response to the reduced federal participation rate standard. In Missouri, a random selection procedure based on social security numbers was implemented to determine which mandatory work registrants are required to participate. Thus, three of the five demonstration states modified their client targeting and selection procedures independently of the E&T/JOBS conformance demonstration in response to the significantly lowered federal participation rate standard for E&T. In the **non-**demonstration counties in Hawaii, all mandatory work registrants continued to be referred to the E&T program and called in for services. (In South Dakota, all counties operating E&T services were included in the demonstration.)

Demonstration Policies

..

The client targeting designs encouraged as part of the E&T/JOBS conformance demonstration were distinguished by two features: (1) selective targeting based on the designation of priority target groups and (2) priority given to participation by volunteers. The JOBS program emphasized services to groups whose members were most at risk of long-term welfare participation. For the AFDC population served by JOBS, these groups included individuals under age 24 without high school completion or equivalency, individuals under age 24 with little or no work experience, and individuals who had received AFDC benefits for 36 or more of the 60 months prior to certification.

Target Group Policies

In conforming the Food Stamp E&T program to the JOBS model, four of the five participating states identified specific high-risk target groups. Some demonstration

states tried to mirror the JOBS priority target groups as closely as possible, while other states adapted the JOBS priority categories to make them fit the special characteristics of the Food Stamp work registrant population (e.g., by targeting homeless individuals, as in Hawaii) or in order to address other management priorities (e.g., by targeting absent parents with child support claims, as in Missouri). As described above, Texas implemented a statewide procedure that excused from participation the least job-ready work registrants (operationalized as individuals with serious employment barriers or less than an eighth grade education with no recent work experience). However, the Texas BOND demonstration did not establish any “high risk” priority groups **within** the remaining work registrant population, although it designed a range of services appropriate for less job-ready as well as more job-ready participants.

Exhibit III-1 summarizes the different priority groups targeted for E&T participation by the demonstration states. With the exception of Texas, all states included youth under 24 with limited education and/or work experience. All four states other than Texas also targeted long-term Food Stamp recipients, although they each operationalized “long-term” receipt differently. Three states targeted work registrants of any age with limited work experience. Beyond these common targeting patterns, three states identified additional priority groups. Hawaii added several target groups whose members have particular barriers to employment (e.g., homeless individuals and individuals with a primary language other than English). Georgia and Missouri targeted male wage earners with families to support (primary wage earners in **two-**parent households in Georgia and absent parents with child support claims..in Missouri). Missouri targeted individuals who had recently lost eligibility for **AFDC/JOBS** benefits. Georgia reached out to “self-initiated” work registrants already enrolled in education or training programs.

Some states designated all target groups as having equal priority for demonstration services (Hawaii, Missouri); others established relative priorities among the different target groups (South Dakota, Georgia). Some states indicated that they would call in all work registrants from target groups before serving non-target group members (Missouri, South Dakota, Georgia); others indicated that target group members should comprise at least a minimum percentage of all work registrants called in for services (Hawaii, where 55 percent of all work registrants called in for E&T services were supposed to be from target groups). As described in the next section, the

Exhibit III-1
Target Groups Established by States

Target Group	GA	MI	MO	TX	SD
Under age 24 without high school diploma or equivalent	X	X	X		X
Under age 24 with little or no work experience in the last twelve months	X		X		X
No high school diploma or equivalent	X		X		
Little or no work experience	X	X	X		
At least eighth grade completion and some recent work experience				X	
Received Food Stamps 36 out of the last 50 months	X				X
Received Food Stamps 24 out of the last 36 months			X		
Received Food Stamps 12 out of the last 24 months		X			
Homeless		X			
Primary language other than English		X			
Primary wage earners in two-parent households	X				
Individuals already enrolled in education or vocational training programs	X				
Absent parents with child support claims			X		
JOBS participants who have lost AFDC eligibility due to age of children or income from work			X		
Displaced homemaker or former AFDC recipient			X		

demonstration states' formal client targeting policies affected participation patterns in different ways.

Priority to Volunteers

The JOBS program also called for priority to be given to volunteers, including individuals exempt from work registration and mandatory or exempt work registrants in self-initiated training. The five demonstration states differed in their emphasis on participation by volunteers in the conformance demonstrations. South Dakota was least enthusiastic about the prospect of enrolling E&T volunteers, particularly students in self-initiated training.³ To prevent the allocation of significant program resources to volunteers, South Dakota exempted students in self-initiated training from mandatory participation in the demonstration. They also restricted the availability of supportive services to mandatory participants, thereby eliminating the supportive services and child care "magnet" that attracted significant numbers of voluntary participants and individuals with self-initiated training plans to the conformance demonstrations in other states (Texas, Georgia, Hawaii). The remaining four states indicated that they would give priority to volunteers. As described in the next section, participation by volunteers exempt from work registration requirements ended up occurring most frequently in Missouri, Georgia, and Texas, while participation by "mandatory volunteers" (mandatory work registrants who volunteered prior to being called in for services) was a frequent occurrence in Hawaii.

PARTICIPATION PATTERNS

Size and Characteristics of the Work Registrant Pool

All five demonstration states implemented the JOBS work registration rules as part of the Food Stamp E&T/JOBS Conformance demonstration. The shift from E&T work registration rules to JOBS rules resulted in the inclusion of several new categories of work registrants, most notably recipients of federal unemployment benefits, caretakers responsible for children between the ages of three and six,⁴ and students enrolled between half-time and full-time in self-initiated education or training. In

³ Program staff indicated that they did not want to use limited program dollars to support education or training that would occur even without the E&T program.

⁴ In most states, the JOBS program requires mandatory work registration by caretakers responsible for children older than three. In South Dakota, at state option, work registration was required for all caretakers with children older than one year.

addition, under JOBS rules, custodial parents under age 20 are required to participate even if they have young children. Two demonstration states (Georgia and Missouri) continued to apply E&T individual exemption criteria to the pool of mandatory work registrants before referring mandatory nonexempt work registrants to the demonstration E&T programs. These states explained that the individuals exempted from participation under these criteria ultimately would have received individual deferrals under JOBS program rules (e.g., for lack of available child care/transportation or temporary health problems).

Each demonstration state expected the E&T work registrant pool to increase as a result of the shift from E&T to JOBS work registration rules. Only three states (Texas, South Dakota, and Missouri) provided information on the number of work registrants in the demonstration service areas during both a baseline and demonstration period.⁵ As shown in Exhibit III-2, the work registrant pool increased by approximately 30 percent in Texas and South Dakota under the demonstration, but actually declined by 15 percent in Missouri. It is likely that factors other than the conformance demonstration contributed to the shift observed in each state. For example, in Texas, the increase in the work registrant pool in the **demonstration** county was matched by an increase of nearly the same magnitude in the rest of the state (which was not subject to JOBS work registration rules). In Missouri, staff noted that local economic conditions had improved between the two periods.

The potential increase in the size of the work registrant pool under the conformance demonstration was perhaps less significant in the experience of the demonstration states than the mandatory inclusion of the new categories of: (1) caretakers responsible for children under the age of 6 years, and (2) students attending self-initiated training between half-time and full-time. As described below, the individuals representing the intersection of these two groups—parents with young children interested in pursuing education and training at the post-secondary **level**—became some of the most enthusiastic participants in demonstration services in all participating states except South Dakota. On the other hand, staff in some states worried that the new mandatory participation requirement for caretakers with young

⁵ Additional information on how the demonstrations affected participation patterns may be included in the states' impact evaluation reports, scheduled for completion by September 30, 1996.

Exhibit III-2
Shifts in Size of Work Registrant Pool

Demonstration State	Pre-Demonstration	Post-Demonstration	Shift
Missouri 4 counties	FFY94:* 12,272	FFY95: 10,723	-15%
South Dakota 20 counties	FFY92: 4,696	FFY94: 6,151	+31 %
Texas 1 county	March 1993: 2,814	March 1994: 3,716	+32 %

* FY1994 includes 8 months of pre-demonstration operations and 4 months of demonstration operations in Missouri.

children was causing some work registrants to give up Food Stamp benefits rather than participate in E&T services.

Shifts in Call-In Procedures and Participation Rates

As described later in this chapter, the services available to demonstration participants were more intensive, in most cases, than the E&T services provided prior to the demonstration or to participants in non-demonstration counties. Because of the more intensive service design, program call-in and enrollment procedures under the conformance demonstration usually differed substantially from the “universal call-in” procedures common prior to the demonstration.

Call-In Procedures

Individual assessment and case management services were key elements of the demonstration service designs in all five demonstration states. Because an individual assessment interview with an intake worker/case manager was used as the entry point into demonstration services in most states,⁶ the call-in of voluntary and mandatory work registrants was “caseload” driven, for the most part. That is, individuals interested in volunteering for demonstration services and mandatory work registrants referred to the E&T program by income maintenance eligibility workers were placed in a work registrant pool or waiting list, from which individuals were called in as needed (using the priority targeting and call-in procedures established in that state) to fill caseload vacancies as they occurred. A common procedure was to enroll all volunteers and to implement a random selection procedure for calling in mandatory work registrants. Maximum caseload sizes constrained the demonstration service capacity particularly in Missouri (where caseloads averaged 35 to 40 per case manager) and for participants in education and training services in Texas (where individual case managers initially handled caseloads of not more than 75 participants).⁷ Case management capacity was less of a determining factor in calling in targeted work registrants in Hawaii, where the maximum caseload size was 112, and in scheduling work registrants for job readiness/job search services in Texas, where the maximum “group case management” caseload size was 125.

⁶ An exception was Texas, where participants in the employment preparation and job search track received “group” case management services.

⁷ Over time, case managers serving individuals enrolled in post-secondary training took on larger caseloads in the Texas BOND demonstration, as a result of the high demand for this service.

No official guidelines about caseload size were established in Georgia or South Dakota. The service capacity of these programs was constrained by the interview schedule of E&T staff who met individually with demonstration participants to develop individual employment plans. After an initial start-up period when program caseloads were being established and built up from zero, the demonstration sites in South Dakota and Georgia called in all mandatory targeted work registrants or even, in some cases, all mandatory work registrants.

Participation Patterns

The resulting participation patterns can be characterized by the proportion of all mandatory work registrants that participated in demonstration services, the number and percentage of volunteer participants, and the extent that the demonstrations served only target group members or selected participants from a broader work registrant pool. In their local process and implementation evaluation reports, the demonstration states provided preliminary information on participation patterns during sample periods after demonstration start-up. The information provided by the states is summarized in Exhibits III-3 and III-4. The impact evaluation reports to be prepared by the states are expected to provide more extensive information on how the conformance demonstration affected E&T participation patterns.

As shown in Exhibit III-3, despite variations in client targeting and call-in goals and procedures, each of the demonstrations enrolled relatively small proportions of the mandatory work registrant pool.⁸ The demonstration that appeared to reach the smallest proportion of work registrants was Missouri's JET program, which enrolled only 123 (1.2 percent) of 10,168 mandatory work registrants in the 8 demonstration counties during FFY 1995. The demonstration that appeared to reach the largest proportion of work registrants was South Dakota's, which enrolled 1,027 (10 percent) of 9,779 individuals designated as mandatory work registrants in the 20 demonstration

⁸ The participation rate shown in Exhibit III-3 compares an unduplicated count of demonstration participants to the reported number of mandatory work registrants in the demonstration service area. This is very different from the official "participation rates" reported to FCS, which include the number of sanctions requested as part of the participation rate and double-count individuals receiving services from multiple components.

Exhibit III-3
E&T Participation Patterns in Demonstration Sites

Demonstration State	Participation Rate Among Mandatory E&T Work Registrants	Volunteers as a Percentage of All Participants	Target Groups as a Percentage of all Participants
Georgia 4 counties	6%	<i>Exempt volunteers:</i> 28%*	81%†
Hawaii 1 county	9%	<i>Exempt volunteers:</i> 4%; <i>mandatory volunteers:</i> 57%	71%
Missouri 8 counties	1%	<i>Exempt volunteers:</i> 53%; <i>mandatory volunteers:</i> 8%	56%
South Dakota 20 counties	10%‡	Very few	About 50%
Texas 1 county	5%	30 to 40%§	N/A: no priority target groups

*Based on information for the period 4/1/93 through 3/31/96.

†Based on information for the period 4/1/93 through 3/31/96.

*Based on client-level collected by local impact evaluator for period 7/93 through 6/94.

§ The Texas evaluation contractor indicated that these include both exempt volunteers and mandatory work registrants who volunteered for services prior to being called in.

Exhibit III-4
Shifts in E&T Participation Rates

Demonstration State	Participation Rate Among Mandatory Work Registrants in Demonstration Sites	Participation Rate Among Mandatory Work Registrants in Non-Demonstration Sites or Period	Difference Between Demonstration and Non-Demonstration in Percentage Points
Georgia 4 counties	6%	13%	-7
Hawaii 1 county	9%	16%	-7'
Missouri 8 counties	1%	9%	-8
South Dakota 20 counties	10%*	25%†	-15
Texas 1 county	5%	6%	-1

*Based on client-level data collected by local impact evaluator for the period 7/1/93 through 6/30/94.

†Based on client-level data collected by local impact evaluator for the period 7/1/90 through 6/30/91.

counties between July 1993 and June 1994.⁹ In contrast to the demonstration sites, which appeared to be quite selective in enrolling mandatory work registrants, the nation as a whole enrolled 31 percent of all mandatory work registrants in service components in FY 1994 according to reports provided to the Department of Agriculture by the states. (This statistic may be somewhat high, due to the fact that individuals placed in more than one component are double-counted in the Department of Agriculture reports .)

Exhibit III-4 compares the proportion of mandatory work registrants enrolled in demonstration services to the proportion enrolled in E&T services in non-demonstration counties or during the pre-demonstration period. As shown in the exhibit, a smaller proportion of the work registrant pool was enrolled during the demonstrations, perhaps as a result of the lower caseload sizes and more individualized attention received by participants under the demonstration designs. However, even in non-demonstration counties, the five states participating in the demonstration were more selective in enrolling work registrants than the nation as a whole.

The rate of participation by exempt volunteers was highest in Missouri's JET program, in which 53 percent of the participants during FY 1995 were exempt work registrants. Texas and Georgia have also enrolled substantial numbers of exempt work registrants as volunteers, reflecting the willingness of these states to support participants in self-initiated courses of study. Exempt volunteers made up a much lower proportion of the participant caseload in Hawaii and were present only in very small numbers in South Dakota.

Hawaii, Missouri, and Texas also encouraged participation by "mandatory volunteers" -mandatory work registrants who volunteered to participate in the demonstration before being called in for services. In Hawaii and Missouri, which kept track of participation by mandatory volunteers, these individuals comprised 57 percent and 8 percent of the demonstration participant caseload, respectively. It was not clear how many participants were mandatory volunteers in Texas, where this status was not officially tracked.

⁹ State aggregate statistics prepared by South Dakota and submitted to the Department of Agriculture showed that the number of "component placements" was 20 percent of the mandatory work registrant pool for FY 1994. Although the state number double counts participants in more than one component, it is not clear why this is so different from the 10 percent computed from the evaluation's client-level database.

In the four states that designated priority target groups, preliminary statistics provided by the states in their process and implementation evaluations show that the demonstrations reached a broad mix of target and non-target group members. The greatest focus on target group members occurred in Georgia, where around 81 percent of all demonstration participants belonged to one or more of the designated target groups. This pattern resulted from the fact that, in Georgia, all target group members were called in before any non-target group members were called in.

In the remaining states, target group representatives constituted at least 50 percent of all demonstration participants, but a number of non-target group members participated as well. Non-target group members were recruited and enrolled either as: (1) volunteers, who were given priority over all other groups in most states; (2) after E&T staff had called in all available target group members referred in a given month (in Georgia and South Dakota); or (3) as part of a pre-determined mix of target and non-target group work registrants (in Hawaii).

Characteristics of demonstration participants varied widely from state to state, reflecting variations in the E&T work registrant pool (e.g., in the proportion of single individuals versus individuals from family households and males versus females) as well as variations in the types of individuals that were targeted by the demonstrations and participated in demonstration services. In general, the state process evaluation reports did not include much information on shifts in the demographic characteristics of E&T participants as a result of the demonstration.¹⁰

Several states noted a significant increase in the proportion of female participants between the demonstration and non-demonstration (or pre-demonstration) sites/periods. For example, in Missouri, E&T participants in non-demonstration counties were 51 percent female, while demonstration participants were 82 percent female. In South Dakota, females increased as a proportion of all E&T participants from 41 percent prior to the demonstration to 62 percent during the first full year of demonstration operations. Although the process reports for Texas and Georgia did not provide comparisons of gender between the demonstration and non-demonstration counties,

¹⁰ Several states compared the education levels and household composition of demonstration participants to the characteristics of all Food Stamp work registrants or all Food Stamp recipients, but were **unable** to provide information about the characteristics of E&T participants prior to the demonstration or in non-demonstration sites.

both states noted that females were heavily over-represented in the volunteer caseload within the demonstration counties. Several factors may have interacted to contribute to increased participation by females in these states, including: the inclusion of women with children under 6 in the mandatory work registrant pool under JOBS rules, increased reimbursements for child care expenses, requirements for mandatory participation by caretakers of young children if they were under 20 and had not completed high school, and the ability of volunteers to access supportive services including child care while participating in self-initiated education and training.

Changes in Sanctioning Criteria and Procedures

Each of the demonstration states was encouraged to implement the JOBS sanctioning rules as part of the conformance demonstration. This was perceived as “giving more teeth” to the E&T sanctioning policies by increasing the duration of sanctions for the second and third failure to cooperate from two months to three and six months, respectively, and requiring participants to wait until the end of the designated sanction period before being able to “cure” the sanction. (Under E&T rules, an individual may cure a sanction at any time.) It was hoped that tougher sanctioning policies and procedures would decrease the “no-show” rate among mandatory E&T work registrants and increase the program participation rate among individuals called in for services. ¹¹

Tougher sanctions were implemented, as planned, in Georgia, South Dakota, and Texas. However, in Hawaii, because of historically lenient conciliation procedures for sanctioning under JOBS, the conformance with JOBS sanctioning policy was perceived as weakening rather than strengthening existing sanctioning procedures. ¹² Furthermore, in Missouri, as the result of an administrative oversight, sanctioning procedures were not applied by demonstration case managers to any demonstration participants. When state administrators were questioned about this practice, they found that case managers had been reluctant to administer sanctions because of their efforts to

¹¹ As a result of conforming the work registration requirements for JOBS and E&T, participating states were also able to coordinate the sanctions applied to JOBS participants, so that both Food Stamp and AFDC benefits were affected when individuals failed to comply with JOBS participation requirements. This, in turn, was perceived as increased the effectiveness of sanctioning within the JOBS program.

¹² JOBS sanctioning procedures in Hawaii were amended during FY 1995 to make the conciliation process less drawn-out.

encourage participation among mandatory and exempt volunteers. After the lack of sanctions was brought to the attention of Missouri state administrators in the spring of 1996, they indicated that the conciliation and sanctioning procedures described in the JOBS operations manual would be implemented for the rest of the demonstration period.

Exhibit III-5 summarizes the preliminary information provided by the demonstration states on how the demonstration affected noncompliance and sanctioning patterns. Because of the differences in client targeting policies and call-in practices between the demonstration and non-demonstration periods/sites, it is misleading to directly compare the numbers of adverse action notices issued to the size of the mandatory work registrant pool. However, in the absence of data on the number of individuals called in for services in each state, Exhibit III-5 suggests some interesting patterns. First, it suggests that the demonstrations that continued to call in relatively high proportions of mandatory work registrants (e.g., South Dakota) continued to experience high “no-show” rates and issue high rates of adverse action notices.

Second, Exhibit III-5 suggests that states like Missouri and Hawaii, which emphasized recruitment of exempt and mandatory volunteers, may have experienced reduced noncompliance rates during the demonstration compared to the rates during their respective non-demonstration sites or periods. These reduced rates of noncompliance could have resulted from lower call-in rates, higher response rates among work registrants called in, and/or higher ongoing compliance rates among individuals enrolled in program services. In Georgia, once individuals were selected from the referral pool and entered into the E&T MIS system, they were more likely to comply with participation requirements in the demonstration counties (which offered more individualized case management and enhanced supportive services) than in the non-demonstration counties. As shown in Exhibit III-5, Georgia’s four demonstration counties experienced a 23 percent noncompliance rate among individuals who were selected, which was substantially lower than the 41 percent noncompliance rate experienced in the non-demonstration counties.

SERVICES AND SERVICE PLANNING

All of the states implemented the demonstration with the intention of increasing the range and intensity of education and training services offered and more carefully matching these services to the individual participant’s needs and interests. Simultaneously, most were also revamping their regular E&T programs with similar

Demonstration State

Georgia
4 counties

objectives in mind. The process studies conducted by the various states, including their comparisons of demonstration and non-demonstration service designs, offer interesting findings about how the demonstrations influenced service options and resulting service utilization patterns.

E&T Services Prior to the Demonstrations

Prior to FY 1993, the E&T programs in all of the states heavily emphasized job search activities with or without job readiness training. This pattern was most striking in South Dakota, Georgia, and Texas. In South Dakota, job search and job readiness training were the only two recognized activities. In Georgia, virtually all E&T clients participated in group job search followed by individual job search. A few individuals who expressed an interest in education or training were permitted to enter these optional components, but only after they had completed group job search. In Texas, brochures describing education and training offered by JTPA and the Texas Education Agency (which provided adult basic education and GED programs) were made available to participants, but, as in Georgia, referrals were almost never made in practice. Instead, the contractor for E&T services enrolled most participants in directed job search, which was supplemented in some counties by an optional job search training component, consisting of a 20-hour regimen of job counseling and group job search.¹³

Although still emphasizing job search and job readiness activities, Hawaii and Missouri offered somewhat more varied E&T service options prior to FY 1993. In contrast to Georgia and Texas, where participants could undertake education and training only if they took the initiative in expressing an interest in these activities, E&T employment counselors in Hawaii provided selected participants with referrals to training activities, primarily to basic education programs or work experience. However, the majority of E&T clients were still assigned to supervised job search, with some also receiving an initial 24 hours of instruction in job search techniques.

Missouri followed a somewhat different approach to making education or training services available to E&T participants. This state's Division of Family Services (DFS) transferred a portion of E&T funds to the Division of Job Development and Training

¹³ During this period, Texas also conducted a periodic data match of Food Stamp and JTPA data files. Food Stamp recipients who turned out to be JTPA participants were considered to be enrolled in the E&T program as exempt volunteers; many in fact never knew they were E&T participants, although they appeared as such for reporting purposes.

(DJDT), which oversaw the state's JTPA program. The DJDT in turn distributed these funds to selected JTPA service delivery areas for the enrollment of individuals interested in JTPA services who were receiving Food Stamps but not AFDC. These individuals were reported back to DFS and classified as E&T participants. The E&T program's financial agreement with JTPA reflected the state's intention to broaden training opportunities for Food Stamp work registrants, although it is not clear whether this arrangement resulted in the recruitment or enrollment of significant numbers of individuals who would otherwise have been unlikely or unable to access JTPA services on their own. Meanwhile, the majority of E&T participants were served by the Division of Employment Security (DES), which required participants to undertake supervised job search.

Presumably because service sequences were largely predetermined in the E&T programs in most states, assessment and service planning were typically given cursory treatment. In South Dakota, for example, individualized service planning was largely irrelevant, given that all participants were expected to participate in the same activities. In Missouri, Georgia, and Texas, much the same could be said for the majority of E&T participants, who were **channeled** into job search and/or job search training components. However, participants who self-initiated or specifically requested training in JTPA or adult education programs in these states received the formal objective assessment and service planning that these programs routinely offered. Individual education or training plans were required for E&T participants who entered education services in Missouri and education or training services in Georgia.

Hawaii seems to have offered more extensive individualized assessment and service planning. Presumably this is related to the fact that it referred an appreciable number of its E&T clients to education and training services, as discussed above. In its regular E&T program, employment counselors routinely collected information on participants' work history, vocational skills and interests, educational competencies, and physical capabilities and limitations, and would administer interests and/or proficiency tests, if appropriate. Job-related counseling might be provided to assist participants in making realistic vocational choices, exploring alternative fields of work, and understanding personal attributes or barriers that prevented them from getting or keeping a job. Based on these results, an employability plan was developed for each participant that set forth career goals and a planned series of actions for attaining those goals, identifying specific services and training components to be undertaken and

specifying tentative time frames for implementing each step of the plan. As changes occurred, the plan was to be revised. In actuality, most participants in Hawaii's E&T program during the early 1990s were placed in a narrow range of service activities, but attention was at least being paid to assessment and service planning as formal processes.

Demonstration Service Designs

The conformance demonstrations expanded the range and flexibility of service offerings in every state. They also gave greater attention to individualized service planning. However, the degree of change should not be overstated. Indeed, all states continued to make heavy use of job search and/or job readiness training components and the majority of demonstration clients in most states continued to participate exclusively in job search or job search training. However, most demonstrations increased the range and intensity of service options available to E&T participants by: (1) redesigning job search and job search training activities; (2) improving participant access to education and training services through direct purchase arrangements and/or non-financial referral linkages; (3) providing individualized assessment and service planning and intensified case management; and 4) offering a wider range and more generous level of supportive services.

One notable difference in demonstration services, compared to previous designs, was the ***addition of greater richness to the job training and job search components***. For example, Texas expanded the duration (from 20 to 80 hours) and broadened the focus of job readiness and life skills workshops required as a prelude to job search. It also increased the number of required job search contacts and instituted a group job search seminar, in which participants undertaking job search were required to meet as a group for a few hours each week to share job leads and discuss job search skills. Similarly, Georgia increased both the intensity of supervision and the required number of job search contacts for those undergoing job search. Hawaii introduced a 6-week pre-employment curriculum designed to foster self-esteem as an option for participants assessed as needing this service.

More significantly, all demonstration states ***moved away from standardized service sequences and improved clients' access to education or training*** at least to some degree. Without the expectation that all clients would necessarily receive job search assistance and/or job readiness training, case workers began to consider alternative service strategies. Several states improved access to these alternatives by ***directly***

purchasing education or vocational training slots for participants. For example, Missouri and Hawaii would pay tuition for education or vocational skills training, when necessary, to ensure that access to the training regimen recommended by the case manager could be obtained. Similarly, Georgia used some of its cooperative agreement funds to establish an in-house adult basic education program in 1 of the 4 demonstration counties, which offered training of somewhat greater intensity than was provided by the state education agency.

Demonstration states also improved access to education and training by ***fostering closer interagency collaboration and strengthening non-financial agreements with education and training providers.*** Texas, for example, pointed out in its process report that local interagency collaboration was much stronger in BOND, its demonstration project, than was the case in its E&T program, because agency rules and responsibilities in BOND were supported by legislative mandates, explicit interagency agreements, and periodic local interagency planning conferences or meetings . As a result of BOND, Texas strengthened non-financial agreements with the local adult education agency and post-secondary educational institutions. Consequently, many demonstration participants found their way into adult education or post-secondary education programs . The availability of taxpayer-funded educational offerings, tuition assistance from Pell grants or other student financial aid programs, and supportive services provided by the demonstrations proved to be a potent combination in encouraging increased educational enrollments among demonstration participants not only in Texas, but also in Georgia.

Several states found that non-financial linkages were more difficult to cultivate with the JTPA system than with the educational system, perhaps because of declining overall JTPA resources. At the outset of the Texas BOND demonstration, use of JTPA resources to support vocational training by BOND participants was relatively rare. However, by the end of the demonstration period, “dual enrollment” was more common (often initiated through “reverse referrals” made by the JTPA system to obtain BOND supportive services for JTPA applicants) and BOND case managers were outstationed at the JTPA service provider on a regular basis to facilitate dual enrollment. In Missouri, the provision of demonstration funding to purchase services from the JTPA system on behalf of demonstration participants was key to securing the enthusiastic cooperation of JTPA service delivery areas as JET service providers.

The movement away from standardized service sequences was associated with **more thorough assessment, individualized service planning, and intensified case management** and constituted a critical adjunct to supporting the expanded service options in several states. All states moved to implement individualized service planning and case management as part of their demonstrations to at least some degree, and several states reported that these elements represented integral parts of the demonstration service designs. In Georgia and Missouri, for example, demonstration case managers conducted detailed assessments and developed individualized training plans for all participants. In-person meetings with case managers to check on the participants' progress occurred periodically and participants were encouraged to make frequent telephone contacts with their case managers to report on their progress, request additional services, and share successes and disappointments. Oversight was to continue in the post-placement period for clients who had obtained employment. Texas demonstration staff also conducted individualized service planning and case management, although typically just for participants who were categorized as less job ready. These participants received a service needs assessment, followed by the development of an individual service strategy.

In Hawaii's PRIDE program, case management and individualized service planning also were given substantial emphasis, but took a somewhat different form. In this state, substantial attention was devoted to identifying and redressing "barriers" to employment, as part of the service planning process, including those relating to health, psycho-social characteristics, financial capabilities, family **circumstances, and** education and skills.

By contrast, service planning was less well developed in South Dakota's statewide demonstration, and case management was not recognized as an official program feature. Nonetheless, even in this state, attention to participants' individual needs were given somewhat greater attention than in the E&T program prior to the beginning of the demonstration.

Another important change associated with the demonstrations in all states was the **enhancement of supportive services** available to participants. As part of the conformance demonstration, all states revised their E&T supportive service policies to be more similar to their JOBS policies. These changes typically allowed for more generous payments for transportation assistance and work and incidental expenses, and, in some states, for more generous demonstration-funded child care reimbursements.

In contrast to the E&T limit of \$25 per month for transportation and other training-related expenses, the maximum transportation allotments rose appreciably under the demonstrations in all states—for example, up to \$230 per month in Texas, \$70 per week in Missouri, and \$3 per day in Georgia. Policies regarding payments for work and incidental expenses, which were part of the \$25 monthly limit under E&T regulations, also increased substantially under the demonstration. In accordance with its JOBS supportive service policy, South Dakota offered reimbursement for minor auto repairs or for clothing or tools under the demonstration. Missouri and Texas could pay for one-time work-related auto repairs, tools, uniforms, and miscellaneous incidentals in their demonstration programs. Hawaii and Georgia were most generous in the range and level of supportive service payments they would authorize—payments for work and incidental expenses including eye wear, work clothing, certificates and licenses, testing fees, union dues, and medical and dental expenses were all supportive services that could be authorized by case managers on behalf of their clients under these states' demonstrations.

While the demonstrations' more generous transportation and incidental payment schedules doubtless facilitated program participation for many individuals, it was the effects of expanded child care reimbursements that were the most remarkable, at least in two of the three demonstration states that offered child care assistance based on the JOBS model. Child care allowances were typically used only infrequently in the **non-**demonstration E&T programs in most states, because those with responsibility for the care of young children were usually exempted from program participation. Following the JOBS model, however, work registration rules no longer automatically exempted those with young children. As a consequence, some states—especially Georgia and Texas—found that the demand for child care assistance skyrocketed.

Texas, Georgia, and Hawaii each offered child care reimbursements at the JOBS level in their demonstrations.¹⁴ Both Georgia and Texas found that their demonstration expenditures for child care far exceeded budget expectations. In Georgia, a substantial proportion of cooperative agreement funds were used for this purpose. In Texas, child care expenditures, funded from the statewide E&T budget, exceeded \$500,000 during

¹⁴ Georgia offered child care assistance at the JOBS level throughout its statewide E&T program, using 100 percent state funds to make up the difference for the non-demonstration E&T program participants.

the first two years of the demonstration. Although the level of child care expenditures increased in Texas as a result of the demonstration, it did not appear to be merely the increased level of child care payments available that increased the demand for this payment. Rather, the increased level of child care expenditures resulted from the interaction among several factors, including: revised exemption policies that included more parents with young children as mandatory work registrants, an enhanced menu of service options, policies encouraging participation by volunteers, and the availability of expanded child care assistance. Both states in fact described the child care assistance they provided as “magnets,” prompting caregivers responsible for young children to volunteer for program participation. In Texas, these were typically persons interested in undertaking post-secondary education. In Georgia, a wider variety of individuals volunteered for the program because child care assistance could be used to support either training or the first 90 days of employment.

Curiously, Hawaii, which **almost** doubled the child care allowance per dependent under the demonstration (from \$160 per dependent per month in its E&T program to \$325 per month under the demonstration), did not report that child care was a special attraction for participants, nor did child care allotments appear to consume an inordinate proportion of demonstration funds. This might be attributed to the fact that a smaller proportion of E&T work registrants in Hawaii are from households with children. (As a result of Hawaii’s relatively generous AFDC benefits, Food Stamp recipients with children are likely to remain eligible for AFDC even if they have **low-**wage employment, and thus, be served through JOBS than through the **E&T** program.)

In contrast, neither Missouri nor South Dakota routinely made child care reimbursements with demonstration funds. As a matter of policy, South Dakota would approve child care reimbursements only on a short-term or temporary basis, referring those who needed assistance on an ongoing basis to the state’s social service block grant funds set aside for this purpose. Missouri also decided against offering child care assistance as part of its demonstration. It found as a consequence that many potential participants who were parents needed to be exempted from services because the lack of child care precluded their participation. (Very recently, Missouri rethought this policy, and began offering child care assistance as part of its demonstration, on a limited basis .)

Comparison of Demonstration and Non-Demonstration Service Designs

Shortly before demonstration start-up, or while the demonstrations were ongoing, several states moved to modify their statewide E&T services designs. These changes were facilitated by changes in federal performance-standards requirements. However, the process of applying for demonstration funds also prompted several states to rethink their statewide E&T operations and refocus their efforts towards selective client targeting and more individualized service planning for those enrolled. Thus, FY 1993 marked the beginning of efforts in some states to move towards individualized service planning and broaden the range and intensity of services available to all E&T participants statewide. This pattern emerged most clearly in the E&T programs in Georgia and, to a lesser degree, in Missouri and Texas. In this section, we review the residual differences between demonstration and non-demonstration services. Interestingly, as documented in the next section, these efforts typically did not lead to a marked expansion of the education and training services actually utilized in the **non-**demonstration sites.

In an effort to revamp its regular E&T program along the lines of the JOBS model, Georgia's Department of Human Resources relaxed the requirement that virtually all participants should be funneled through job search. Instead the state **left** the choice of training regimen up to the E&T case managers in the individual counties. In principle, participants could be given a non-financial referral to JTPA or adult education programs, so that they could access adult basic education, GED **preparation**, post-secondary or classroom vocational skills training, or on-the-job **training**—essentially, the full range of education and training activities to which demonstration participants could be referred, with the exception of any enhanced services paid for with demonstration funds. Thus, in theory at least, the primary differences between the demonstration and non-demonstration counties consisted of enhanced supportive services and the fact that case managers sometimes used demonstration funds to purchase training for demonstration participants. In fact, it appears that demonstration participants actually received more individualized service planning and case management than E&T participants in the non-demonstration counties. Furthermore, the provision for participation by volunteers in the demonstration counties resulted in an increased level of interest in education and training services among demonstration participants .

Missouri, which had been funding training for E&T participants who wished to enter JTPA even before the demonstration, expanded its agreement with the Department of Labor and Industrial Relations' Division of Job Development and Training in FY 1994 to promote JTPA services in a larger number of service delivery areas, and began requiring that Food Stamp E&T participants served in JTPA should be provided access to the full range of JTPA training services. Thus, in this state too, education and training opportunities were expanded to parallel those available in the demonstration counties. Additionally, Missouri enhanced the services provided to E&T participants by the Department of Industrial Relations' Division of Employment Security, its chief contractor for E&T services, by requiring the introduction of three half-day sessions of job search training as a prelude to job search. Despite these changes, substantial differences remained between the demonstration and **non-**demonstration E&T operations. In non-demonstration counties, most E&T participants received job search training, followed by job search. In contrast, in the JET demonstration counties most participants were assisted in pursuing individual education or training plans.

Texas represents a middle ground between Georgia—which made a serious effort to offer a similar menu of services to all E&T participants statewide—and **Missouri**—which operated substantially different service designs in demonstration and **non-**demonstration counties. For participants assigned to employment preparation and job search services, Texas substantially closed the gap between demonstration and **non-**demonstration services during FY 1994 and FY 1995. In FY 1994, the state consolidated its service delivery arrangements for E&T and JOBS services statewide. As part of this process, E&T components provided by the Texas Employment Commission were redesigned to emphasize intensified job readiness training and a greater attention to life skills development, making these components essentially identical to the ones offered in the demonstration county. Additionally, as in the demonstration county, the group employment seminar was instituted for participants undertaking job search. However, the demonstration county remained substantially different from **the** regular E&T program in the services provided to less job-ready participants. For these participants, the greater range of education and training services used and the enhanced case management and supportive services available to support participation in more intensive services distinguished the demonstration service design

In South Dakota, the E&T conformance demonstration was implemented in all counties where E&T services were provided, so it makes no sense to talk about the evolution of E&T services apart from the onset of the demonstration. In South Dakota, the key differences between the demonstration and the previous E&T service design included a slightly more individualized service planning process, a wider range of service options based on the JOBS program, and access to an enhanced set of transportation and work/training expense reimbursements.

Hawaii's non-demonstration E&T program design changed little during the years the demonstration was operating on Oahu until FY 1995, when state funding was curtailed and "work first" requirements were imposed for participants. The demonstration design in Hawaii was distinguished not so much by the menu of employment and training services offered to participants as by the introduction of a barrier assessment and removal process prior to referral to employment services, as well as by an emphasis on the recruitment of volunteers for participation in demonstration services .

INFLUENCE OF THE DEMONSTRATION ON SERVICE UTILIZATION PATTERNS

In their process reports, all the demonstration states reported statistics on the utilization of different services both in demonstration and comparison counties. However, the statistics provided by the different states differ in the classification systems used to describe E&T activities, the time periods covered, whether the summaries were based on a "point-in-time" view (e.g., of services used during a given month) or a "longitudinal" view (e.g., of services used over a year or multi-year period), whether they referred to all participants or just to project terminees, and whether an accurate unduplicated count of participants during the reference period was available. Because of these differences, the specific statistics provided by the states should not be used in direct cross-state comparisons. ¹⁵

In this report, we have used the statistics provided by the states cautiously, as rough gauges of the priority given to different services in each state's demonstration experience. In descriptions of each state's experience, we refer to specific statistics on service utilization, as provided by the state process evaluations. However, in summary

¹⁵ We hope that the state impact evaluation reports will provide improved information on participation patterns and service usage in a format that will facilitate cross-state comparisons.

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Exhibit III-6
Shifts in Utilization of Various Service Activities
Between Demonstration and Non-Demonstration Sites/Periods

	GA	HI	MO	SD	TX
Service planning/case management	++	++	++	+	++
Job search (individual or group)	--	--	--		--
Job readiness/life skills training	≈		--		++
High school	≈	na	+	++	+
ABE/GED/ESL	++		+	na	+
Post-secondary education	-l-	+	++	≈	++
Vocational skills training	≈	na		na	≈
On-the-job training	na	na	≈	≈	≈
Work experience	≈		≈	≈	+
Supportive Services	-t-l-	++	+	+	++

Legend:

- Decline of more than 10 percentage points in the use of this activity compared with the same state's E&T program
- Decline of 5 to 10 percentage points or more participants in the use of this activity compared with the same state's E&T program
- ≈ Increase or decline of less than 5 percentage points in the use of this activity compared with the same state's E&T program
- + Increase of 5 to 10 percentage points in the use of this activity compared with the same state's E&T program
- + **+** **Increase** of more than 10 percentage points in the use of this activity compared with the same state's E&T program
- na Not applicable; information was not supplied in the state's report or this activity is not used at all

Note: Comparisons denote the magnitude of the *change* associated with the demonstration in comparison to the same state's regular E&T program. Comparisons are between the demonstration and comparison counties in all states but South Dakota and Texas, where a **pre/post** comparison was used. Symbols should not be used to compare the relative incidence of service activities across states, nor should they be used to judge the absolute usage of a given activity **within** a state.

increased overall, while use of job readiness and job search components was reduced. This reported shift in service utilization is consistent with the changes in service design described elsewhere in this report, including the shift from reliance on job search assistance provided by state Employment Security staff toward individualized services planned and supported by case managers hired specifically for the demonstration program. To ensure that access to the recommended training regimen could be obtained, demonstration funds were used to pay for tuition when necessary. In its process report, Missouri indicated that substantial numbers of JET participants attended high school or received GED or adult basic education instruction (27 percent) or attended post-secondary education (23 percent), in contrast to the comparison counties, in which no one was reported as having received these services. However, the proportion of demonstration participants receiving vocational skills training (21 percent) was slightly lower than the proportion reported in vocational training in the comparison counties (34 percent), because of the emphasis on the Department of Social Service's financial agreement with JTPA to secure expanded services for E&T participants in the non-demonstration counties. Demonstration participants also were enrolled in **on-the-job** training and work experience at somewhat lower rates than in the comparison counties.¹⁶

In Texas, as noted above, the demonstration service design was distinguished by individualized service planning for a substantial subset of demonstration **participants**—primarily less job-ready work registrants as well as individuals interested in **post-secondary** training. Although most work registrants with a high school degree or recent work experience were automatically assigned to job readiness and job search activities, case managers conducted an assessment and developed an individualized service plan for those considered to be less job ready. Because Texas developed particularly strong referral linkages with local educational institutions, increased proportions of BOND participants were enrolled in educational activities. For example, Texas reported that in the pre-demonstration period only about 6 percent of E&T participants in the demonstration county were enrolled in adult education and none were enrolled in high school or post-secondary education. Two years later, with the demonstration in full-swing, these figures had increased to 13 percent in adult

¹⁶ Figures are for program participants and are taken from Missouri's Addendum *to the Process Evaluation of the JOBS-Employment and Training Demonstration Program (JET)*, p. 17.

education, 5 percent in high school, and 44 percent in post-secondary education.¹⁷ However, because coordination with JTPA did not materialize as hoped, enrollments in vocational skills training remained quite low .

Despite the similarities between the menu of services available in theory to E&T participants in demonstration and non-demonstration counties, Georgia's demonstration design was distinguished by individualized service planning and a case management approach as well as by the use of some of its cooperative agreement funds to establish an in-house adult basic education program to supplement existing community services in the largest of its four demonstration counties. One consequence was that the rate of enrollment in adult education rose to 23 percent in the demonstration counties, compared with just 3 percent in the non-demonstration counties. Additionally, Georgia used non-financial referrals to link small numbers of additional demonstration participants to community resources for post-secondary education, English language training classes, vocational schools, or other job skills training. With the exception of adult education, the percentage of demonstration participants embarking on these training assignments was modest (about 15 percent in total), but still represents an appreciable increase over what was provided to non-demonstration E&T participants.¹⁸

Changes in patterns of service utilization were somewhat less sweeping in Hawaii and South Dakota. Hawaii might be said to have implemented marked changes in its service strategy, but these were primarily along the lines of expanding assessment far more than in other states and assisting participants in redressing any health and psycho-social barriers to employability that were uncovered. Unfortunately, many individuals whose barriers were uncovered declined to follow-up with the social service agencies to which they were referred. Moreover, the demonstration's focus on assessment and the identification of barriers seemed to divert attention from efforts to broaden education and training opportunities for participants. Of course, all along it had emphasized education and training as part of its E&T program more than other states, and had

¹⁷ Figures represent annual participation rates and are taken from the *Texas Food Stamp Employment and Training/JOBS Conformance Demonstration: Process Evaluation Final Report* (Table 5.3). Demonstration figures are for FY 1995, while comparison figures are for the demonstration county in the year before the demonstration began.

¹⁸ Figures are for FY 1995 for the demonstration and comparison counties, as reported in Georgia's *PEACH JOBS Employment and Training (JET) Project: Implementation and Process Findings*.

placed appreciable numbers of participants in a variety of education and training activities, including basic skills remediation, post-secondary education, work experience, and community employment and training. In the demonstration county, the mix of service activities changed somewhat (e.g., towards greater use of post-secondary education and away from community employment and training), but the percentages in *all* of these activities combined actually fell slightly, compared to the service mix reported for the non-demonstration county.

South Dakota also experienced a more subtle shift toward expanded utilization of education and training services. Under its statewide demonstration, South Dakota implemented an individualized service planning process. However, as a practical matter, this plan seemed to have only limited bearing on the course of services to which participants were assigned. Although the menu of available services was greatly expanded under the demonstration, job readiness and job search components were still emphasized as the favored avenues for assisting the work registrants to enter employment. South Dakota's process report reported that 16 percent of demonstration participants were enrolled in post-secondary education, but few participants entered any additional service categories, other than job search or job readiness training.¹⁹

Looking at Exhibit III-6 row-wise (as opposed to column-wise) shows that assessment and service planning were emphasized in all states' demonstrations, compared with their E&T operations. This can be taken as clear evidence that states were attempting to move away from standardized service sequences and towards the JOBS model of individualized employability development.

Educational activities also increased almost uniformly, including post-secondary education (in all states but South Dakota), adult education (in all states but Hawaii and South Dakota), and high school (in all states but Georgia and Hawaii). Thus, the JOBS program's emphasis on educational development, particularly for young people without a high school education, appeared to be realized in the demonstrations.

¹⁹ Figures are taken from *South Dakota Food Stamp E&T Conformance Demonstration: A Combined Implementation and Process Report* and are for FY 1994 for the demonstration period and FY 1991 for the comparison. South Dakota, which was running its demonstration statewide, announced plans to substantially expand its use of on-the-job training in its E&T program beginning in FY 1996, by directly funding OJT training slots.

States were less successful in boosting opportunities for vocational skills training and on-the-job training. In fact, no state reported an appreciable increase in either of these activities. Similarly, work experience showed no notable increase anywhere except in Texas, and its incidence actually declined in Hawaii.

Meanwhile, the frequency with which individual or group job search activities was used declined everywhere, usually substantially so, and job readiness training declined in all states but Texas.

Finally, in keeping with conformance, supportive services where everywhere made more generous, although Missouri and South Dakota typically did not provide child care allowances.

Factors Explaining Increased Utilization of Education and Training Services in the Demonstration

As Exhibit III-6 showed, all states moved to implement or expand their use of assessment and individualized service planning, and almost all the demonstration states appear to have been successful in increasing the range of training options available to and used by participants. In several states, regular E&T programs were also evolving along similar lines, as described above, but, in practice, the demonstrations' efforts in most states represented a qualitative step forward, away from the one-size-fits-all approach and towards individualized services.

Curiously, rates of service in education and training components increased in the demonstration even though E&T participants in non-demonstration counties in all states but South Dakota were ***nominally*** entitled to receive virtually the same services as demonstration participants. Georgia and Missouri made a point of emphasizing this fact in their process reports, proclaiming that ***the service options*** available to participants had changed very little under the demonstration. The fact that service ***usage*** did in fact change, and did so in some states quite dramatically, is an important outcome.

Several factors in particular seem to be important in explaining the increased usage of education and training services. First, voluntary participation was a prominent fact of the demonstrations in all states but South Dakota, as a preceding section of this chapter has reported. Compared with mandatory work registrants, volunteers potentially consist of many more persons who are actively seeking employment and training opportunities . By relying heavily on volunteers for their case loads, the

demonstrations by this fact alone might have increased the demand for education and training, even if nothing else had changed. The fact that, South Dakota and Hawaii, the two states with the lowest rate of volunteers among demonstration participants (see Exhibit 1113, above) also showed the smallest increases in participation in education and training lends credence to this relationship.

Second, in conformance with JOBS, the demonstrations' regulations made referral to educational programs mandatory for young people without a high school diploma or the equivalent. Thus, not surprisingly, the incidence of high school education and adult basic **education/GED** training rose fairly consistently as part of the demonstration experience (see Exhibit III-6).

Third, the heightened attention most demonstrations gave to case management and individualized service planning also seems important. As part of the process of moving from a one-size-fits-all approach, several states implemented fairly extensive **upfront** assessment, with the assessment results used to identify a service plan that would increase the participant's employability. Given that many states also targeted their services towards harder-to-serve work registrants as part of their demonstration, education and training activities were called for in many cases. Thus, Georgia and Missouri, two of the states that moved most decisively towards individualized service planning and case management in their demonstration designs, were most effective in expanding opportunities across a range of education and training categories.

Fourth, rates of participation in education and training offerings typically increased the most where the demonstrations had forged the strongest linkages with training providers. For example, Texas developed particularly strong referral linkages with adult education and secondary education providers in the demonstration county. Consequently, many demonstration participants found their way into adult education or post-secondary education programs. By contrast, Texas did not develop strong non-financial referral linkages with the JTPA program serving the demonstration county until late in the demonstration period, and low JTPA service levels to demonstration participants resulted.

Linkages that were supported by financial agreements were, not surprisingly, even more effective. Thus, as part of its demonstration, Missouri paid tuition for its participants in educational or other training programs when the training opportunity could not be accessed otherwise. As a consequence, it could boast of increased service

to participants across a range of educational and training categories, including adult basic education, post-secondary education, and vocational training. Similarly, Georgia used demonstration funds to support an in-house adult basic education program, and as a consequence its rates of service to demonstration participants in this component were substantially greater than for any other of its educational or training activities. Indeed, it complained in its process report about the lack of available training slots in JTPA.

Finally, the more generous supportive services provided by the demonstrations in combination with the inclusion of new groups of work registrants (e.g., UI recipients and families with young children) doubtless played a role in making education and training feasible for participants. As mentioned, child-care allotments were a particularly powerful magnet and absorbed substantial proportions of the demonstrations' budgets in Georgia and Texas. Doubtless some individuals would have been unable to support themselves through training of any appreciable duration without the child care and other assistance that was provided.

SUMMARY

Although the five states participating in the E&T/JOBS conformance demonstration shared overall project goals and used the JOBS model as the framework for redesigning their E&T programs, there were significant variations across states in demonstration policies and practices.

Individual assessment, service planning, and case management were key elements of the demonstration designs in all states. As a result, the number of work registrants participating in each demonstration was constrained by the ability of case managers to schedule individual intake sessions and manage their assigned caseloads. Despite variations in client targeting policies and call-in procedures, each demonstration enrolled only a relatively small proportion, ranging from 1 percent to 10 percent, of the mandatory work registrant pool.

Four of the five demonstration states developed policies of giving priority to "high risk" target groups. Members of target groups made up over half of the demonstration participants in each state, but most states also served non-target group members. Four of the five states also gave priority to participation by volunteers. As a result of the active recruitment of volunteers, volunteers made up more than 60 percent of the demonstration participants in two states and between 30 percent and 40 percent of all participants in two additional states.

Although it was hoped that the tougher sanctioning policies associated with JOBS would increase participation rates under the demonstrations, this was not the case in all demonstration states. In general, the states with lower call-in rates and higher participation by volunteers issued notices of adverse action at a lower rate under the demonstration than previously, while the states that called in high proportions of the mandatory work registrant pool continued to experience high “no show” rates.

In comparison with previous E&T services, demonstration service designs were distinguished by (1) intensified job training and job search components; (2) greater flexibility of service sequences and improved access to education and vocational training opportunities; (3) more thorough assessment, individualized service planning and intensified case management; and (4) availability of enhanced supportive services. All the demonstration states appear to have been successful in increasing the range of training options available to and used by participants. In several states, regular E&T programs were also evolving along similar lines, as described above, but, in practice, the demonstrations’ efforts in most states represented a qualitative step forward, away from the one-size-fits-all approach and towards individualized services.

Among demonstration participants, enrollment in educational activities-including adult education, post-secondary education, and high school-increased in most states . Thus, the JOBS program’s objective of promoting educational development, particularly for young people without a high school education, appeared to be realized in the demonstrations. States appeared to be less successful in boosting opportunities for vocational skills training and on-the-job training. The state impact evaluations currently underway should provide additional information on how the demonstrations affected participation and service utilization patterns, controlling for differences in client characteristics, as well as addressing how the demonstration influenced participant outcomes.

IV CONCLUSIONS

THE FEASIBILITY OF CONFORMING E&T AND JOBS

The experiences of the demonstration states suggest that conformance between the E&T and JOBS programs at the state and local levels is administratively feasible. Moreover, in each demonstration state, conformance of the work registration, exemption, and sanctioning rules and procedures between E&T and JOBS was perceived as a significant improvement over the operation of two welfare-to-work programs with different rules and regulations. In conforming their E&T programs to the JOBS model, Georgia and Texas also successfully tested full consolidation of the two programs using integrated service delivery units and, in the case of Texas, integrated case management caseloads.

However, administrative simplicity, by itself, is not a sufficient reason to adopt the JOBS model for the E&T program. Beyond the reductions in bureaucratic complexity, a number of the programmatic changes arising out of the conformance of E&T to the JOBS model made sense to program policymakers and direct service staff. Program changes that were generally felt to be beneficial for E&T clients included:

- The replacement of a “one size fits all” sequence of services with a more diverse menu of services and individualized service plating.
- The redesign of the content of job readiness/job search assistance components to help improve participants’ self-knowledge, self-esteem, and job search skills.
- The encouragement of participants with limited educational skills to attend basic skills training and complete their high school diplomas.
- The availability of an enhanced menu of supportive services, including a higher rate for reimbursements of child care and transportation expenses.

An assessment of whether the services provided to participants under the conformance demonstrations led to improved outcomes is currently being performed by the states in their impact evaluations and will be reported in ***the Synthesis of Cost and Impact Evaluations***. Without information about how the demonstrations affected participant outcomes, it is difficult to determine whether the demonstrations accomplished their objectives.

Nevertheless, it is clear from the implementation and process study findings that the demonstrations did result in increased participation in education and vocational training by some E&T participants as the result of an individualized service planning process. This shift towards more intensive education and training services was accomplished primarily by linking participants to existing education and training resources in the local community, such as JTPA-funded training, adult education programs, and programs offered by local post-secondary schools. Three aspects of the demonstration designs that were associated with the increased utilization of education and training services by demonstration participants included: (1) the provision of individualized assessment and counseling by case managers who provided encouragement to participants to pursue education or training when needed; (2) the availability of enhanced supportive services that could help support participants while they were in training; and (3) the priority given to participation by volunteers who were already motivated to pursue education or training.

However, the cost of providing individual case management and supportive services to demonstration participants was significantly higher than under the old E&T model, even when most of the actual cost of training was leveraged from other funding streams. As a result, even with the cooperative agreement funds, each of the demonstrations found that it could serve fewer participants than previously. Thus, selective recruitment and enrollment were also key to the ability of the demonstrations to stay within their budgets.

The five demonstration states illustrate several different approaches to allocating available resources among potential program participants and across different program activities. Texas and Georgia each designed *multiple service tracks* that offered services to both job-ready and less job-ready work registrants. Both states decided that it would be desirable to enroll mandatory and exempt volunteers in self-initiated training and support them during training by offering them case management and supportive services. Both states also called in significant numbers of mandatory work registrants for individual job search counseling (Georgia) or group job readiness/job search workshops (Texas).

In contrast to the multiple track systems in Texas and Georgia, Missouri and South Dakota each utilized a unitary service design. Missouri's demonstration design was targeted primarily to hard-to-serve exempt and mandatory volunteers who were interested in pursuing further education and training. A very small percentage of the

mandatory work registrant caseload was served in this state. South Dakota's design, on the other hand, was targeted almost exclusively to mandatory work registrants. While the menu of services was flexible enough to support participation in education and training, South Dakota's program was primarily oriented to encourage immediate employment among job-ready clients .

Hawaii was distinctive among the demonstration states because of its broad family focused and multi-disciplinary approach. Like Missouri, Hawaii attempted to reach out to the least job-ready individuals among the work registrant pool. However, Hawaii attempted to prepare mandatory work registrants for successful labor market participation by providing an individualized front-end multi-disciplinary assessment of employment barriers, referrals to community health and counseling resources, and intensive case management services. The community resources Hawaii tried to leverage on behalf of its participants included not only education and vocational training resources, but health, mental health, and family support services. After addressing some of these personal employment barriers, participants in Hawaii's E&T demonstration were referred to a combination of job readiness and job search support services supplemented by basic education when needed.

LESSONS LEARNED FROM THE CONFORMANCE DEMONSTRATIONS

The implementation process went smoothly for some states. Other states experienced delays in hiring and training demonstration staff or were troubled by staff turnover after the demonstration began. Beyond the challenges **associated with** hiring, training, and retaining demonstration staff, the states that appeared to have learned the most about how to improve their implementation efforts in the **future** were the states that had attempted to involve several different agencies or levels of E&T agency staff in the development and implementation of the demonstration approach. The implementation lessons suggested by the experiences of these demonstration states include the following:

- **Involve all affected agencies and levels in planning for demonstration services.** The states that were most successful-both in creating cross-agency teams for the recruitment of demonstration participants and in delivering a broad range of case management, job search, education, and training services-emphasized the importance of involving staff from all involved agencies at both the state and local levels in demonstration planning .

- **Cross-train staff to understand how their actions affect the rest of the system.** Cross-training staff to understand the linkages between the actions taken by income maintenance workers, case managers, and training providers was also encouraged as a way to present an accurate and positive view of demonstration services to participants. Ongoing staff training and communication among staff in different positions were viewed as critical to good staff morale and the ability of staff to “sell” demonstration services to prospective participants, potential training providers, and ultimately, to employers.

Among the most notable lessons learned about demonstration design and operations as a result of the experiences of the demonstration states are the following:

- **Take advantage of non-financial coordination linkages to increase access by E&T participants to education and training services.** Although Georgia and Texas did not often use E&T funds to purchase education and training services for demonstration participants, they succeeded in increasing participant access to more intensive services by developing effective referral linkages, primarily with local adult education and post-secondary educational institutions. Demonstration sites appeared to have more difficulty developing effective coordination linkages with JTPA service providers.
- **Recognize that the availability of child care expense reimbursements may be a powerful magnet encouraging participation by exempt work registrants (“exempt volunteers”) and mandatory work registrants who may volunteer to participate prior to being called in (sometimes referred to as “mandatory volunteers”).** Some demonstration states were surprised by the positive response among caretakers of young children who were attracted to the demonstration program in large numbers by the availability of child care reimbursements. Some of these volunteers were “reverse referrals” from post-secondary educational institutions who identified the demonstrations as an additional source of financial aid for their matriculated students; others were individuals who were interested in furthering their education but who had not yet begun a course of study. The combination of mandatory work registration by women with young children and voluntary participation by women interested in child care assistance to support their participation in post-secondary education generated a high demand for child care services in several states.
- **Do not expect a tougher sanctioning policy, by itself, to increase rates of participation or decrease sanctioning rates.** Although the demonstration states had hoped that the JOBS sanctions for non-participation would lead to higher rates of compliance among mandatory work registrants, the demonstrations continued to experience high rates

of no-shows and failures to comply among those targeted for participation. Part of the problem appeared to be that the names supplied to the E&T program as mandatory work registrants were often off the Food Stamp rolls or exempt by the time they were called in. When offered the choice between participation in E&T and tougher sanctions, an unmeasured but possibly sizable portion of mandatory work registrants chose to leave the Food Stamp rolls or accept sanctions rather than participate.

The experiences of the states participating in the E&T/JOBS Conformance Demonstration have to be reevaluated in terms of their applicability to the new world of welfare-to-work that was finally enacted in August 1996 by the Personal Responsibility and Work Opportunities Reconciliation Act of 1996 (**PRWORA**). PRWORA replaced AFDC and JOBS with state block grants that provide states with considerable design flexibility but within a context of stringent work participation requirements that not only emphasize “work first” but also place restrictions on how participation in education will be counted. PRWORA also places a maximum of five years on the receipt of cash assistance under the new program of Temporary Assistance to Needy Families (TANF) and limits the Food Stamp eligibility of able-bodied adults between the ages of 18 and 50 who do not have dependent children to three months out of a three year period unless they are employed 20 hours a week. In this context, states will be under tremendous pressure to design services that place large numbers of TANF recipients in work activities while reserving education and vocational training for limited subgroups, such as teen parent head of households and individuals who simultaneously meet the requirement for 20 hours per week of work participation.

It is not yet clear how the new TANF work requirements and the Food Stamp program eligibility limits will affect various states’ decisions on target group strategies and service designs for the E&T program. Possible E&T target groups relevant to the new PRWORA context include individuals without dependent children who are at risk of losing Food Stamp eligibility after three months unless they work at least 20 hours a week, individuals who have recently lost eligibility for cash grants under TANF due to the expiration of their time limit, as well as individuals at risk of long-term Food Stamp reciprocity. In developing E&T service approaches, states will have to choose between an E&T program that conforms with the primary thrust of their Title IV-A **welfare-to-work** program-i.e. , a program that encourages widespread participation in services oriented to immediate employment-and an E&T program that offers a variety of services selectively targeted and/or individually matched to meet the widely differing

circumstances of different subgroups receiving assistance from the Food Stamp program.

On the one hand, the experience of the states participating in the E&T/JOBS Conformance Demonstration suggests that state E&T service designs that attempt to conform E&T and TANF requirements-where permissible under Department of Agriculture regulations for the E&T program-will be administratively feasible. On the other hand, while conformance with TANF work requirements and service designs may simplify the administration of welfare-to-work systems, states would also do well to consider that a number of the conformance demonstration states were able to offer more intensive services to E&T participants who were motivated to improve their **job-**related skills through education or training.

The process evaluations for the E&T/JOBS Conformance Demonstration illustrate how the demonstration states addressed **difficult** E&T client targeting and program design choices. As the demonstrations in Texas, Georgia, and Hawaii showed, it is feasible to design programs with multiple service tracks that provide large numbers of job-ready clients with services oriented to immediate employment as well as smaller numbers of “hard-to-employ” individuals with services designed to support participation in education and training. Key among the new services offered under the E&T/JOBS Conformance Demonstrations were supportive services, which, in combination with well-developed coordination linkages, enabled participants to attend education or training services available through existing community resources.

As the only remaining form of welfare-to-work programming that offers an uncapped 50 percent match of State expenditures, the E&T program could become an increasingly important source of funds to states that are interested in improving the employability of hard-to-serve individuals who are ineligible for federally-assisted cash assistance to needy families. States’ interests in investing in the future of these households may increase over time, as time limits begin impacting TANF eligibility for increasing numbers of poor Americans.

IMPLICATIONS OF THE PROCESS EVALUATION FOR THE COST AND IMPACT EVALUATIONS

Under the terms of their cooperative agreements with the Department of Agriculture, the demonstration states are required to submit impact reports, detailing the net effects of the demonstrations on service levels and participant outcomes, and

cost evaluations, describing expenditures incurred in conforming E&T services. These evaluations will be subjected to a cross-site analysis by SPR and findings reported in a ***Synthesis of Impact and Cost Evaluations***. The states' process and implementation evaluations set the context for interpreting the findings from these later studies by describing the implementation experience and detailing differences in client flows and service strategies in demonstration and comparison counties within each state.

The process and implementation results suggest some important considerations for efforts to estimate net impacts as well as important caveats in interpreting subsequent findings, including: (1) the difficulty in measuring demonstration effects when both the non-demonstration and demonstration programs are in flux; (2) the difficulty of comparing demonstration impacts across states; (3) the need to account for an extended "transition period" as the pre-demonstration program was being dismantled and the demonstration program was initiated; (4) the difficulty of controlling for simultaneous transformations of participant characteristics and demonstration services; and (5) the potential impacts of the demonstration on participants as well as non-participants. Each of these issues is briefly described below.

Changes in the Non-Demonstration and Demonstration Programs Over Time

One issue stems from the finding documented in the process evaluations that the demonstration period was marked by considerable flux in welfare-to-work systems. Shortly before the demonstrations began, most of the demonstration states had traditional E&T programs that targeted all mandatory work registrants with low-cost, low-intensity services. At the same time that they were applying for demonstration funds, the majority of the demonstration states were also planning for statewide redesigns of their E&T programs to implement many of the features of the JOBS service model, including selective enrollment of hard-to-serve participants, enhanced supportive services, and the provision of more intensive and more individualized sequences of services. Some states, like Georgia, implemented these changes prior to the demonstration and had relatively stable demonstration and non-demonstration E&T services during the demonstration period. Other states, like Texas and Missouri, continued to refine their statewide E&T designs during FY 1993 and FY 1994.

The fact that non-demonstration E&T services evolved towards the JOBS model in several of the demonstration states means that differences between demonstration and non-demonstration designs converged substantially beyond what might have been

anticipated before the demonstration began. To this degree, differences in actual service content were less substantial than they might otherwise have been. Obviously, efforts to isolate a significant net effect caused by the demonstration will be more difficult to achieve under this circumstance; it may also be the case that differences will be smaller in scope.

An associated problem with estimating impacts when non-demonstration services were evolving is that it is problematic to generate a single, stable estimate of the net difference caused by the demonstration. A further complication was that the JOBS program model itself began to undergo rapid evolution in the face of emerging welfare reform initiatives at the state and federal level, especially beginning in FY 1995. As these changes were introduced as part of the JOBS program, they were also adopted for E&T participants within the conformance demonstration as well. For example, among the demonstration states, “Work First” initiatives were introduced in Hawaii, Georgia, and Texas during FY 1995 and 1996. As part of these initiatives, a wide variety of changes in JOBS service designs and service sequencing occurred, including the shortening of allowable education and training periods and an increased emphasis on job search and immediate employment for all participants.

Given that both demonstration and non-demonstration service designs were to some degree in flux during the demonstration period, the effect of the demonstration must have been changing as well. Estimates of net impact generated by the various states thus must generally be viewed as an average over these differences. Additionally, because most changes in the JOBS model were **implemented quite** recently, after most states had ceased collecting participant-level data for their impact studies and program-level data for their process studies, we can presume that estimates of impacts will ignore states’ most recent demonstration experiences. To this extent, the estimation of impacts is for a variant of the demonstration model that, at least in several states, no longer exists.

The Need to Contextualize the Findings on Demonstration Impacts

As documented in the state process evaluations, each state operationalized the conformance demonstration through its own unique demonstration design which was strongly influenced by the state’s variant of the JOBS program model. In addition, each state had its own configuration for the non-demonstration E&T program that was operating in the comparison sites/periods. The process evaluation reports prepared by

the demonstration states and their independent evaluators did not always include complete statistics on the characteristics of participants served or the mix of services provided in the demonstration and comparison sites/periods. One of the most important functions of the impact evaluation reports will be to provide accurate descriptions of participants and services in the demonstration and comparison sites, as well as to provide descriptions of demonstration outcomes and analyses of demonstration impacts.

Furthermore, because of the unique configuration of each demonstration and its non-demonstration context, the impact evaluation findings on demonstration effects cannot easily be compared across the demonstration states. In interpreting cross-state differences in impact and cost findings, it will be important to keep in mind exactly what the differences were between the demonstration and non-demonstration interventions in each particular state.

Acknowledging the Effect of the Transition Period

An additional implication highlighted by the states' implementation reports is that nearly all states experienced a disruption in "normal" E&T program operations during the transition from E&T to demonstration services. For example, as part of the process of shifting from the old E&T to the demonstration service design in the demonstration sites, states curtailed enrollments in the pre-demonstration E&T program during the period leading up to the demonstration and, concomitantly, once the demonstration began, took a while to build up their demonstration case loads. Impact estimates of the effect of the demonstration on participation patterns must take into **account these** patterns and acknowledge that effects might be somewhat different during the period of mature pre- and post-demonstration operations than they were during the transitional period.

Controlling for Simultaneous Shifts in Clients Served and Services Provided

An additional feature amply highlighted by the process and implementation evaluations is that, under the demonstrations, both client mixes and service designs were transformed simultaneously. For example, as part of the conformance demonstration, the size and composition of the work registrant pool was changed in each demonstration county. Additionally, the procedures used to target and call-in work registrants for E&T services differed between the demonstration and **non-**demonstration/pre-demonstration sites as a result of priority group targeting (in Missouri, Hawaii, and South Dakota) and recruitment of exempt work registrants and

mandatory volunteers (in Texas, Georgia, Missouri, and Hawaii). These changes typically gave rise to pronounced compositional differences between the participants served (e.g., towards including women with young children or persons who were identified as being in a specific target group). These differences must be taken into account, along with differences in the intervention provided during the demonstration period, in estimating net demonstration impacts.

For example, differences in employment outcomes between demonstration and comparison counties could be due either to the fact that the demonstration services were more or less efficacious *or* to the fact that the people the demonstration served tended to have different proclivities for obtaining employment completely apart from the types of services that were delivered. A challenge of the impact evaluations will be separating out the effect of differing participant characteristics from the impacts caused by the relative effectiveness of demonstration vs. non-demonstration E&T services.

A particularly difficult challenge in this regard is caused by the fact that volunteers make up a substantial proportion of the demonstration caseloads in some states (especially Missouri and Texas, but also Georgia and Hawaii), but were virtually absent from non-demonstration counties/periods. Because of the mere fact that many volunteered for services, demonstration participants must be presumed to be “different” on average from participants in the non-demonstration E&T program, where volunteering for services is typically not encouraged.¹ Moreover, these differences plausibly relate to proclivities for undertaking education and training and/or to higher probabilities of being successful in obtaining employment. Thus, for example, volunteers might be more highly motivated, on average, than the (mostly **non-volunteer**) mandatory work registrants served in non-demonstration E&T programs, and their greater level of motivation itself may give rise to differences in service usage or outcomes completely apart from whatever effect the demonstrations’ service designs have had. An important issue for the impact evaluations will be differentiating between these effects. Doing so will be particularly difficult because differences in levels of motivation across individuals can be presumed to be largely unmeasurable (i.e., they cannot be readily controlled for with variables available from client files).

¹**They** are also likely to differ from mandatory participants in a number of measurable characteristics, such as age, formal education level, and family composition, which may be controlled for using multivariate statistical analysis techniques. However, there is no easy way to control for the impact of the unmeasured differences such as motivation and initiative.

Measuring the Impact on Demonstration Participants Versus Non-Participants

Because of their selection of demonstration participants as the evaluation universe, most of the demonstration states will be concentrating on measuring impacts for individuals who received demonstration services. While more difficult to measure, the demonstrations may also have had important effects on two additional groups: (1) individuals who were not called in by the demonstrations who would have been targeted for participation under non-demonstration designs; and (2) individuals who were called in but who decided to be sanctioned or leave the Food Stamp rolls rather than participate. South Dakota is the only state that has decided to measure employment outcomes for the broader universe of all mandatory work registrants, rather than only for demonstration participants.

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APPENDICES:
OVERVIEW OF THE INDIVIDUAL
STATE DEMONSTRATIONS

**APPENDIX A:
THE GEORGIA PEACH JET
DEMONSTRATION**

THE GEORGIA PEACH JET DEMONSTRATION

GOALS AND OBJECTIVES

Georgia is operating its Food Stamp E&T/JOBS conformance demonstration in four counties, representing a mix of urban and rural areas. Called JET, for the “JOBS Employment and Training Program,” the demonstration was established under the umbrella of the state’s PEACH (“Positive Employment and Community Help”) program, which also includes employment and training services under E&T and JOBS. The demonstration was established to further the following goals:

- ***Facilitate the coordination of comprehensive training and skills development*** for public assistance recipients
- ***Provide necessary support services*** to public assistance recipients participating in training and making the transition to employment.
- Assure that public assistance clients have ***real opportunities for job placement and career development***.

To further these goals, Georgia undertook several changes simultaneously. As described below, it implemented a statewide redesign of the E&T program to bring it closer to the JOBS model. Within the four demonstration counties, demonstration approval made it possible for Georgia to enhance the range and level of supportive services available to demonstration participants.¹ Doing so, it was believed, would enable participants to undertake the education and training they need to obtain employment and reduce dependency on Food Stamps. The demonstration also resulted in the provision of individual service planning and case management that was more intensive than was typical for E&T clients in non-demonstration counties.

CONTEXT

E&T Services Prior to the Demonstration

The Food Stamp E&T Program is administered and operated by the Georgia Department of Human Resources (DHR), through the Division of Family and Children

¹To facilitate evaluation of the impact of enhanced supportive services, the state randomly assigned E&T participants in the demonstration counties to a treatment and a control group. Treatment group members were eligible for enhanced supportive services using the JOBS rules, while control group members followed JOBS rules for the assignment and sequencing of components but were not eligible for enhanced supportive services.

Services (DFCS). Prior to FY 1993, most mandatory work registrants were required to participate in two E&T components: **group job search**, followed by **individual job search** for a total 60-day required participation period.² As an option to the required service sequence, individuals interested in education or training could enter an approved education or training activity after the completion of group job search. Optional service components included: **adult education, work experience, vocational training**, and **Jobs Training Partnership Act (JTPA)**. For individuals entering optional components, case managers were required to complete employability assessments and develop individual employment plans.

In March 1993, one month before the implementation of the demonstration, Georgia's E&T program went through a substantial revamping statewide. This restructuring represented Georgia's effort to conform its E&T and JOBS programs on a statewide basis, to the extent allowed by federal regulations. As a consequence of this effort, the E&T program moved from nearly total reliance on job search to the availability of a wide variety of activities to meet the needs of individual participants. The same service components are available under E&T and JOBS. These component activities include:

- **Assessment**
- **Job readiness**
- **Group job search**
- **Individual job search**
- **Education**, including high school, basic and remedial education, GED, English proficiency, and post-secondary education
- **Vocational skills training**, including job skills training, Job Corps, OJT from the JTPA system
- **Work experience.**

Under the revised statewide E&T program, no particular sequence of services is mandated. As in the old E&T program, an individual assessment and employability plan must be completed for any client who enters an education or vocational training

²A more limited E&T program was operated in five "generic" counties that lacked separate E&T case managers. In the generic counties, income maintenance workers assigned mandatory work registrants to complete thirty days of individual job search.

activity. Individual E&T counties have substantial discretion to draw on an array of local employment and training services in developing individual employability plans.

After mandatory work registrants are called in for services, E&T case managers apply a set of state-designated individual exemption criteria, including: lack of transportation, lack of dependent care, temporary disability, **homelessness**, and good cause (a generic category for miscellaneous other reasons that might prevent program participation). Mandatory nonexempt work registrants are selected for the E&T program according to their priority target group status. Target groups (described below under the demonstration service design) are similar to the ones used in JOBS. Sanctions and supportive services are in accordance with E&T regulations, although all E&T participants are offered child care reimbursement at the same rate as in the JOBS program, with 100 percent-state funds used to supplement child care payments when they exceed the E&T maximum.

Despite the state's leadership in revamping the components of the regular E&T program and encouraging the use of a wider variety of services, group job search and individual job search continue to be the predominant service activities in practice, at least in the four comparison counties for which service utilization data were provided in the state's process and implementation evaluation report. According to the information provided by the state, between July 1993 and June 1995, 78 percent of participants who had completed services in the four comparison counties had participated in group job search and 75 percent had participated in individual job search. In contrast, fewer than 5 percent of participants who had completed services had participated in education or training activities. These statistics may underestimate the actual rate of participation in education and training services among all program participants, because they were available only for individuals who had completed E&T services at the time the data were extracted. However, as described below, the demonstration counties exhibited a much higher rate of participation in education and training according to data extracted under the same conditions.

Shifts in Non-Demonstration E&T Services During the Demonstration Period

Since the startup of the demonstration in April 1993, little has been altered in the design or operation of the statewide E&T program. In one of the few changes, the number of E&T counties was reduced from 41 to 34, effective FY 1994, because of attrition among case manager staff and reductions in federal program resources.

Twenty-nine counties have **full** E&T programs, while the remaining five counties have “generic” job search services administered by income maintenance workers. Beyond these changes, individual E&T counties may have shifted their service designs, exercising the discretion they are provided under the state plan.

DEMONSTRATION SERVICE DESIGN

Initiation of the Demonstration Program

Georgia was interested in applying for demonstration funds, because the demonstration was in line with its ongoing efforts to conform PEACH’s E&T and JOBS programs as closely as possible. It applied for and won authorization to operate the demonstration in 4 counties: **Chatham**, a large urban county, Clayton, a smaller urban county, Glynn, a county with medium density, and Gilmer, a rural county. Together, the demonstration counties contain about 16 percent of the state’s Food Stamp population

Implementation was planned for April 1993. In anticipation of this start date, E&T participants ceased being enrolled under the old program rules in these 4 counties as of December 1992. Staff training was held in March 1993 and referrals to JET began the following month, as planned. As part of its demonstration and evaluation plan, Georgia randomly assigned E&T participants in the 4 demonstration counties on the basis of the last digit of their social security number into either a treatment or control group. Those in the treatment group were eligible to receive the enhanced supportive services offered by the demonstration (described below), while those in the control group were limited to \$25 per month for the reimbursement of transportation expenses. Participants in both the treatment and control groups were eligible for reimbursement of child care expenses at the JOBS rate.

Targeting and Participation

Consistent with the intent of the demonstration, mandatory work registration rules were changed to match those for JOBS participation. However, the state elected to continue to apply its E&T program criteria for individual exemptions, described above, as a second-stage screening process to mandatory work registrants selected using the JOBS work registration rules. This screening stage was similar to the identification of clients for whom participation would be non-feasible under JOBS rules. Application of the E&T exemption criteria made it possible for the state to eliminate exempt work registrants from the base used in computing its E&T participation rate standard.

Also in keeping with JOBS, Georgia gave priority to enrolling and serving volunteers in the demonstration counties. In addition to giving priority to volunteers, the PEACH JET program, like the E&T program statewide, gave priority to:

- Custodial parents under age 24 who have not completed high school or equivalent and are not enrolled in school, or who have less than 6 months of work experience.
- Primary wage earners in two-parent households.
- Persons who have received Food Stamps for 36 of the previous 60 months.
- Self-initiated participants (those already enrolled in education or vocational training).
- Registrants without a high school diploma or GED.
- Registrants with less than six months work history.

All four demonstration counties had sufficient service capacity to call in mandatory work registrants from all target groups. Several of the participating counties usually had sufficient capacity to call in all mandatory work registrants, as well. However, a high proportion of all individuals called in who reported for an initial screening were subsequently determined to be exempt or ineligible for services. Data supplied by Georgia in its process and implementation report show that 10,815 persons were screened for services in the demonstration counties between April 1, 1993 and March **31,1996**. Of these, 1,535 (or 14 percent) had been enrolled.³ Of those not enrolled, most were found to be exempt due to: **homelessness** (23 percent); closure of their Food Stamps case (18 percent); disability (3 percent); transportation **difficulties** (1 percent); employment (7 percent); or for good cause or other reasons (10 percent). Another 23 percent were closed as referred for sanction due to noncompliance. Seven percent were not enrolled for reasons that were not specified.

In its process and implementation report, Georgia also reported the characteristics of persons who were enrolled in the demonstration and who had terminated from the program during the period from April 1993 to March 1996. Of these persons, 28 percent were volunteers . Among both voluntary and mandatory participants, 81 percent fell into one of the target groups noted above, including those who were:

³**These** statistics included only enrollees who had terminated services at the time the data were extracted.

without a high school diploma or the equivalent (34 percent), individuals in self-initiated education or training (19 percent), long-term Food Stamp recipients (10 percent), primary wage earners in two-parent households (7 percent), custodial parents under age 24 (7 percent), or with a work history lasting less than 6 months (4 percent).

Elsewhere, results provided by the state evaluation report show that the majority of demonstration participants were females (74 percent), African-Americans (70 percent), school dropouts (49 percent), and single (57 percent) or separated, widowed, or divorced (16 percent). It also became apparent to Georgia that substantial numbers of demonstration participants were persons who volunteered for the program primarily to obtain access to the child care assistance that the demonstration offered to participants in training or within the first 90 days of employment.

Service Design

As did other demonstration states, Georgia emphasized the provision of assessment, service planning, and one-on-one case management to demonstration participants. The service process begins with an group orientation session, at which the service offerings are described. Thereafter, assessment takes place, to review whether the individual qualifies for an individual exemption. For those who are not exempt or otherwise ineligible, the assessment covers the client's education and employment history, aptitudes and interests, and potential barriers to achieving success.

Based on assessment results, an individual employability plan is developed, which may involve one or several service activities, including job readiness training, job search, or education and other training. Data supplied by Georgia as part of its process and implementation report show that, of persons served in the JET counties who exited between April 1993 and March 1996, almost everyone was classified as having received an assessment (97 percent). Service components in which they participated included individual job search (39 percent), group job search (1 percent), job readiness training (2 percent), adult education (21 percent), ESL instruction (1 percent), high school (4 percent), college (9 percent), vocational school (4 percent), work experience (3 percent), or other job skills training (3 percent). By contrast, as noted above, in the four comparison counties, assessment was much less likely to be provided (17 percent) and reliance on group or individual job search was much higher, with extremely low rates of participation in education and training components.

Some participants in the demonstration counties also were entitled to receive enhanced supportive services. As already described, JET participants were randomly assigned by the last digit of their Social Security Number to be in either the treatment or control group. Both groups received similar case management and service planning, but those in the treatment group received supportive services according to the JOBS supportive services plan, while those in the control group received the same supportive services to which E&T participants in non-demonstration counties are entitled.

Enhanced supportive services consisted of a range of available supports, including reimbursements for transportation, meals, day care, tuition, and work-related expenses. For example, treatment group participants received up to \$3 per day for transportation assistance, while others (i.e., control group members and those in **non-**demonstration counties) received at most \$25 per month. Additionally, treatment group members could receive a meal allowance (up to \$3 per day) and receive assistance for vehicle repair and insurance, medical care, dental services, eye care, and post-employment services, while none of these forms of support were available to others. Although all E&T and JOBS participants statewide received child care reimbursements at the same rate, treatment group members in the demonstration counties qualified for child care assistance during the first 90 days of employment, as part of post-employment services.⁴ An additional advantage enjoyed by treatment group members is that they could receive in-house ABE instruction developed and paid for by the demonstration, while control group members were referred to the local education agency, which usually offered instruction that was less intensive:

Evolution of the Demonstration Design Over Time

Between April 1993 and October 1994, the JET service design remained very stable. Over time, however, word apparently spread among Food Stamp beneficiaries that the E&T program offered generous child care benefits, and, as a consequence, an increasing number of individuals volunteered for services who were interested solely in receiving child care assistance. Additional changes in the relative frequency of utilization of job search versus education and training services may also have occurred during FY 1996, as part of the Georgia “Work First” initiative for its welfare-to-work

⁴**State** administrative staff do not consider this assistance “transitional child care services,” which is not an allowable expense under the conformance demonstration. Rather, because the state keeps the E&T case open during the first 90 days after employment, child care assistance after employment is considered part of the planned post-employment services available to the active caseload.

programs. However, these changes were not described in the state's process and implementation report.

PROGRAM COSTS

Costs associated with serving demonstration participants include personnel, administrative, and overhead expenses associated with program operations, which were funded from the regular E&T budget, and expenditures for supportive services, which were funded through a combination of regular E&T and cooperative agreement funds associated with the demonstration. Although not provided to SPR, Georgia's regular personnel, administrative, and overhead costs associated with the demonstration, which are funded under a departmental cost allocation plan, are judged to be comparable for demonstration and non-demonstration counties of equivalent size.

Regular E&T funds were also used to provide all supportive services to *control group members* in the demonstration counties, as well as for all services in **non-**demonstration counties. During State Fiscal Years 1994 and 1995, regular E&T expenditures for supportive services to control group members in the demonstration counties totaled \$265,442, most of which resulted from child care assistance payments. In contrast, supportive service costs for all E&T participants in the four comparison counties totaled only \$99,785 during the same period. Thus, the increased use of education and training components within the demonstration counties even among control group members (associated with the provision of individual case management services to all participants and the inclusion of voluntary participants) resulted in significantly higher supportive service expenditures than in the non-demonstration counties.

Cooperative agreement funds were used to provide all supportive services to members of the *treatment group* in the demonstration counties. During State Fiscal Years 1994 and 1995, supportive services expenditures for experimental group members totaled \$406,543. Of this amount, 14 percent was used for transportation assistance, 10 percent for meals, 62 percent for child care assistance, 3 percent was used for incidentals, and 11 percent for the purchase of on-site remedial adult education services for treatment group members. When compared with budgeted amounts (i.e., planned expenditures), the expenditure figures show that Georgia spent substantially more than the anticipated amount for child care expenses, and substantially less than the anticipated amount for every other form of supportive service.

Cooperative agreement funds are also being used to support the evaluation of the demonstration. Although most of the evaluation activities have been carried out by the staff of the Georgia Department of Human Resources, \$46,680 of cooperative agreement funds are planned to cover the costs of the preparation of the state's cost and impact evaluation report by an independent consultant.

SUMMARY OF KEY DEMONSTRATION FEATURES

In contrast to its regular E&T program, Georgia's JET demonstration emphasizes: (1) participant access to a more flexible sequence of component services, in combination with individualized assessment and one-on-one case management for all clients, and (2) more generous supportive services, including enhanced assistance for training-related expenses and post-employment services. In combination, these demonstration features resulted in (3) more frequent utilization of education and training activities by participants. However, because of the priority placed on serving volunteers in self-initiated training combined with the generous supportive services available to all participants, Georgia found that JET was frequently accessed by participants who were primarily interested in child care assistance.

**APPENDIX B:
THE HAWAII PRIDE
DEMONSTRATION**

THE HAWAII PRIDE DEMONSTRATION

GOALS AND OBJECTIVES

Hawaii's Food Stamp Employment and Training/JOBS Conformance Demonstration, in operation on the island of Oahu between November 1993 and September 1996, is called PRIDE ("Positive Response in Developing Employment"). The Hawaii Department of Human Services (DHS) described overall PRIDE goals as "maximizing the employability of Food Stamp recipients and reducing Food Stamp dependency through improved consistency and coordination between the JOBS and E&T programs." Additional demonstration objectives included:

- **Reducing administrative and service costs** due to coordination across programs.
- **Enhancing E&T services** through the use of a new case management system, the addition of new barrier removal and family social support services, and an expanded emphasis on educational activities.
- **Decreasing program errors** due to reduced complexity of and conflicts between program regulations for the E&T and JOBS programs.

Although the PRIDE program did not call for the consolidation of PRIDE and JOBS services, the demonstration was intended to increase overall fairness by offering all public assistance recipients "the same realistic and meaningful **opportunities** to achieve self-sufficiency." The key features of PRIDE's service strategy included the introduction of a comprehensive case-management based approach designed to link families and individuals to needed support services for the removal of psycho-social barriers to employment, followed by the provision of needed employment preparation training, basic education, and vocational training services. As stated by DHS in its process and implementation report, "the PRIDE program is attempting to demonstrate that a JOBS-like E&T program will prove to be more beneficial to the participants due to its comprehensive and multi-disciplinary approach." (p. 17)

CONTEXT

E&T Services Prior to the Demonstration

Prior to the demonstration, DHS contracted with the Hawaii Department of Labor and Industrial Relations (DLIR) to operate E&T services through designated E&T staff housed in its local Employment Services offices on Oahu, Kauai, Hawaii, and Maui.

All mandatory work registrants were referred by DHS eligibility workers to the E&T Program. After an initial assessment interview, DLIR E&T staff developed an employability plan and directly provided or referred participants to one or several appropriate components. E&T services available on Oahu prior to the demonstration included:

- **Individual job search.** Up to two 8-week job search periods could be required in any 12-month period.
- **Job search skills training.** At least 24 hours of job search training over a 6-day period was planned.
- **Non-reimbursable referral to basic education services** on a space available basis.
- **Non-reimbursable referral to vocational skills training** on a space-available basis.
- **Work experience.** Up to two 13-week work assignments with a public or non-profit agency could be required.

Individual job search was the most frequently used service on Oahu prior to the demonstration and continues to be the most frequently used service in the **non-**demonstration counties. As reported in Hawaii's process and implementation report (p. 29), 89 percent of enrollees in the regular E&T program on the island of Hawaii between November 1993 and June 1995 participated in the job search component in a typical month, 15 percent participated in job search skills training, and only 24 percent of enrollees participated in all other components combined.

Shifts in Non-Demonstration E&T Services During the Demonstration Period

Between November 1993 and June 1995, the E&T program in Hawaii, Maui, and Kauai operated without major organizational or service redesigns, using the **pre-**demonstration service design described above. E&T operations were disrupted in July 1995 as a result of reductions in state funding, and new service delivery arrangements had to be negotiated with DLIR and/or other providers. The Hawaii process and implementation report did not provide detailed information about the resulting changes in E&T program design.

DEMONSTRATION SERVICE DESIGN

Initiation of the PRIDE Demonstration

The PRIDE demonstration was implemented throughout Oahu in November 1993, after a brief transition period during which the old E&T program was suspended and the E&T caseload was terminated. At the time the demonstration was initiated, Oahu accounted for slightly over 70 percent of all Food Stamp cases in the state. Initially, the state planned to expand the demonstration to include the entire state after the first year of the demonstration. However, due to subsequent state budget cuts, PRIDE was not expanded beyond Oahu.

Targeting and Participation Patterns

Like other demonstration states, Hawaii implemented the JOBS work registration rules for demonstration participants. These rules require participation by persons caring for children over the age of three; custodial parents under age 20, regardless of the age of the child; unemployment compensation recipients and applicants, and students in self-initiated education or training. As a result, the number of individuals in the work registrant pool during the PRIDE demonstration was expected to increase and the characteristics of work registrants were expected to differ from the **pre-**demonstration period.

For the PRIDE demonstration, Hawaii tested a targeting model that was dramatically different from the previous E&T approach. Rather than calling in all mandatory work registrants for service, the PRIDE program called for selective targeting of “hard-to-serve” individuals who meet criteria parallel to the JOBS targeting criteria, as well as several additional priority criteria. Priority groups targeted for participation included work registrants who:

- Had worked less than three consecutive months in the six months prior to work registration
- Had received Food Stamps for at least 12 of the 24 months prior to work registration
- Were homeless.
- Were between the ages of 18 and 24 and lack a high school diploma or the equivalent.
- Had a primary language other than English.

The PRIDE design called for 55 percent of work registrants referred to PRIDE to belong to at least one of these target groups, and the remaining 45 percent to be

referred randomly from the total work registrant pool. The program called for priority to be given to individuals who volunteer for services prior to call-in.

Hawaii's Implementation and Process Report provides descriptions of individuals who participated in PRIDE over the twenty month period from November 1993 through June 1995. During this period, there were a total of 12,721 mandatory work registrants in Oahu. During the same period, a total of 1,260 individuals (9 percent of the work registrant pool) participated in PRIDE. Of these participants, 723 (57 percent) were categorized as "mandatory volunteers" because they volunteered before being called in; 54 (4 percent) were volunteers exempt from work registration, and 483 (38 percent) were mandatory work registrants who participated after being called in for services.

Of the 1,260 PRIDE participants during this 20 month period, 72.8 percent were individuals from households without dependent children and 52.5 percent were male. Individuals from target groups comprised 71 percent of PRIDE participants, with representation from the following target groups as **follows**¹:

- Worked less than three months out of the previous six months (33 percent of all PRIDE participants).
- Received Food Stamps in 12 of the past 24 months (30 percent).
- Homeless (12 percent).
- Age 18 through 24 without high school completion (6 percent).
- Primary language other than English (5 percent).

Because of limitations in data availability, Hawaii's process and implementation report does not reveal how the demonstration affected the overall volume or characteristics of work registrants or E&T participants on Oahu, nor does it provide information about how the characteristics of demonstration participants differed from the characteristics of E&T participants in the comparison county (Hawaii). More information on how the demonstration affected participation patterns should be available from the state's impact evaluation report.

¹Target group membership counts are duplicated counts, as an individual can fall in more than one category.

Service Design

One of the stated objectives of the PRIDE demonstration was to offer more intensive services to Food Stamp work registrants. The first step in the PRIDE demonstration, modeled after the JOBS program, was to provide a detailed assessment of participants' health, psycho-social, financial, legal, family, and education- or **skills**-related barriers to employment, followed by referral to "barrier removal" services provided by community agencies specializing in various issues or problems. To implement this sequence of services, each PRIDE unit within DHS was staffed **with** a trained social worker in addition to DHS case managers, and had access to a public health nurse for referral of participants with identified health problems.

Hawaii's process and implementation report indicates that 301 individuals completed an assessment to determine barriers to employment in the first 12 months of PRIDE operation. Identified barriers, in order of frequency, included lack of transportation, lack of formal training, lack of job-finding skills, job of specific job skills, health problems, low self-esteem, poor coping skills, problems with interpersonal relationships and lack of support systems. (p. 42) However, during the demonstration, DHS found that the number of PRIDE participants who voluntarily participated in barrier removal services after assessment through referral to outside agencies was relatively low. It was difficult for project staff to assess whether this was because PRIDE participants did not feel that their barriers were significant, or whether they had a low interest in participating in services to address identified barriers.

Once individuals had completed the assessment and removal of barriers and were determined by their DHS case manager to be ready for employment-related services, PRIDE participants were referred to DLIR "employment counselors. " To address the limited self-esteem and low self-confidence of many PRIDE participants, the program contracted with the University of Hawaii Department of Counselor Education for a **six**-hour orientation session that emphasized self-esteem building and empowerment. Rather than automatically placing all participants in individual job search, PRIDE employment counselors worked with participants to develop individual career plans and placed participants in component services most relevant to their career plans. Like JOBS participants, all PRIDE participants were required to enroll in component activities for a minimum of 24 hours per week.

Pre-employment and job search services available to meet the needs of PRIDE participants included:

- A 6-week ***pre-employment preparation curriculum*** provided by an outside contractor-the City and County of Honolulu, Work Hawaii Program-that focused on esteem building, anger management, goal setting, self-awareness, skills exploration, and attitude adjustment.
- A 2-week ***job search skills training class*** provided by the Employment Training Center affiliated with University of Hawaii's community college system.
- ***Individual job search*** was still available for participants who had completed education or training and were ready to seek employment.

Additional services, available through referral to community resources, included:

- ***Educational activities***, including ESL classes, remedial education, and adult basic education.
- ***Post-secondary education and training***, including referral to community vocational programs, two-year certificate, and four-year degree programs.
- ***Work experience.***

Because the PRIDE program did not have as much funding as the JOBS program, it was not able to offer PRIDE participants access to the more intensive adult basic education programs (24 hours per week) implemented for JOBS participants. Instead PRIDE participants were referred to community-based programs in which instruction was usually available 5 to 7 hours per week.

As reported in Hawaii's process and implementation report (p. 29), during a typical month between November 1993 and June 1995, 387 individuals participated in PRIDE. In an average month,

- 16 percent of the participants were processed for program intake by DHS
- 9 percent received an assessment of psycho-social barriers by the DHS social worker
- 24 percent were assessed for employment readiness by their DHS case manager prior to referral to a DLIR employment counselor
- 12 percent participated in the 6-hour motivational orientation
- 6 percent participated in the 6-week pre-employment preparation curriculum
- 3 percent participated in a job search activity
- 5 percent participated in an education activity

- 10 percent participated in a post-secondary education or skill training activity, including 2 percent who participated in self-initiated training
- 3 percent participated in work **experience**.²

Hawaii's impact evaluation should be able to provide more detailed information about the patterns of service utilization among PRIDE participants, compared to E&T participants during the pre-demonstration period and in the comparison county.

Supportive services availability was also expanded as a result of the PRIDE demonstration to conform to the JOBS supportive service design (excluding transitional child care). As a result, child care expense reimbursements available to PRIDE participants increased substantially over the levels available under the E&T program, as did the monthly amounts available for reimbursement of transportation expenses. Expanded supportive services available to PRIDE participants also included small one-time payments for training-related expenses, such as work tools or clothing, and payment of a variety of one-time work-related expenses upon exit from the program.

Evolution of Demonstration Design Over Time

Between November 1993 and March 1995, the PRIDE program operated without major design changes. However, during the PRIDE demonstration period, the state JOBS program underwent a full-fledged review and redesign. During 1995, in response to growing public concern about welfare programs supporting individuals through four years of training, DHS implemented several key changes to the JOBS program design, which were incorporated into the design of the **PRIDE** demonstration as well. These changes included:

- A new requirement that all PRIDE participants work at least 8 hours and preferably 16 hours a week in private sector unsubsidized employment. This requirement was imposed on all participants, including those in education and training components, beginning in April 1995 ,
- A revision to tighten the conciliation procedures used by the PRIDE program to require participants cited for non-cooperation to demonstrate compliance during a probation period, beginning in April 1995.

²The percentages provided by Hawaii in the process and implementation report do not add to 100 percent. This suggests that, in a typical month, approximately 15 percent of the PRIDE enrollees were not actively participating in a component. Perhaps they were waiting for a component to start, or had recently completed an activity.

- A redesign of all PRIDE program features and service delivery arrangements in response to a dramatic reduction in state funding, for both PRIDE and JOBS beginning in July 1995. The program service emphasis shifted from barrier removal and employability development to immediate job development. Beginning August 15, 1995, all **4-year** training plans were phased out or converted to two-year training plans. As part of the changes that took place in July 1995, DHS terminated its contracts with most of its outside service providers, including DLIR, and undertook in-house operation of the PRIDE program.³

PROGRAM COSTS

Statewide expenditures on the E&T program are summarized below. The state did not provide separate information on the cost of operations in the demonstration county of Oahu. During FFY 1994 and FFY 1995, Hawaii substantially increased the level of state and federal expenditures to support the increased costs of the intensified case management and barrier assessment/removal services offered to PRIDE participants. Most of the increased costs of the demonstration occurred in the costs of program operations. Only modest increases were experienced in dependent care costs, while reimbursements for transportation and other expenditures actually decreased. State budget cutbacks necessitated the reduction of E&T expenditures planned for FFY 1996, requiring the elimination of the contract with the Department of Labor and Industrial Relations, as described above, and the streamlining of program services.

Demonstration funds were used to support the costs of dependent care and other supportive services in the demonstration county, pay for the delivery of **PRIDE** orientation sessions emphasizing self-esteem and motivational skills by an outside contractor, pay for pre-employment preparation sessions also provided by an outside contractor, and purchase individual education and training services for demonstration participants. In addition, demonstration funds were used to support the costs of the independent evaluation.

³**Because** of the dramatic changes in both PRIDE and E&T design and operations after July 1995, a decision was made to include only the **20-month** period from November 1993 through June 1995 in the state's evaluation of the PRIDE demonstration.

Year	100% Federal Funds	50%-50% Funds	Demon- stration Funds	Dependent Care	Transport ation and Other Expenses	Total
FFY 1993	\$136,192	\$ 679,899	\$ 0	\$ 1,890	\$ 71,410	\$ 889,391
FFY 1994	\$205,812	\$1,164,666	\$ 0	\$ 5,913	\$ 32,620	\$1,409,011
FFY 1995	\$191,016	\$1,618,103	\$154,168	\$ 3,686	\$ 24,200	\$1,991,173
FFY 1996 planned	\$204,450	\$1,054,965	\$300,000	\$ 13,612	\$ 37,260	\$1,610,287

SUMMARY OF KEY DEMONSTRATION FEATURES

Among the key program features tested by the PRIDE demonstration are the following: (1) an effort to identify a wide range of employment barriers faced by participants and link individuals to community agencies that can help address those barriers; (2) the design and delivery of preemployment services to address their particular motivational and self-esteem issues as well as to provide participants with improved job seeking skills; (3) an emphasis on participation by work registrants from priority target groups that can benefit from more intensive E&T services and by both mandatory and exempt work registrants who volunteered for services; and (4) an emphasis on encouraging participation in education and training services, particularly for participants who have not completed high school.

During the demonstration period, the rest of the state's E&T program continued to operate using the program design and targeting policies typical of the pre-demonstration period, with required participation by all mandatory work registrants in a program that emphasized an independent job search component.

APPENDIX C:

THE MISSOURI JET DEMONSTRATION

THE MISSOURI JET DEMONSTRATION

GOALS AND OBJECTIVES

The JET Program (“JOBS-Employment and Training Demonstration”) is Missouri’s Food Stamp Employment and Training/JOBS conformance demonstration. Originally intended to operate in 20 counties, implementation difficulties compelled Missouri to scale back the JET program to an S-county area. Goals of the demonstration project were varied and included:

- ***Realizing increased efficiency and reduced duplication of effort*** in program administration and operations.
- ***Strengthening coordination*** with JTPA and other state and local education and training providers to increase the range and intensity of service options available to participants.
- ***Improving the match between E&T services and participant interests and needs*** through a thorough client assessment followed by individual employability planning, necessary support services, and ongoing case management.
- ***Encouraging voluntary participation*** in relatively high intensity and long-term activities.
- ***Increasing targeting*** to the least job-ready portion of the Food Stamp work registrant population and those most likely to be long-term recipients .

In carrying out these goals, Missouri moved decisively towards intensive case management. A careful assessment process and development of a service plan matched to each participant’s needs and interests were key components of the case manager’s role, as was shepherding clients through the training process. As a consequence of the resource-intensive efforts expended on each individual, relatively few participants have been served under the demonstration to date.

CONTEXT

E&T Services Prior to the Demonstration

Prior to the demonstration, the Division of Family Services (DFS) in the Department of Social Services (DSS) operated the Missouri Employment and Training Program (METP) through two contracts. The first and largest contract was with the Division of Employment Security (DES) of the Department of Labor and Industrial

Relations for the provision of job search services to mandatory work registrants referred by DFS eligibility case workers. E&T case workers within DES were provided with monthly lists of Food Stamp work registrants by DFS. Mandatory work registrants who responded to a summons letter issued by DES were provided with an initial assessment followed by participation in one or more E&T components. **Job search training** was the most frequently used component. For most METP participants, job search training consisted of a regimen of self-directed job search that could last up to 8 weeks.

Additional METP components included **basic education, job skills training, on-the-job training, work experience, and job development and training**. At the time of application or recertification, eligibility workers could refer interested work registrants to the local JTPA system. In addition, for mandatory work registrants called in by DES, additional component services could be provided through non-financial referral linkages with other programs. Where the DES case worker thought it advisable, participants could be referred to the local JTPA program for regular JTPA services, or to local education agencies funded by the Department of Elementary and Secondary Education for basic skills remediation. A non-financial referral agreement with the Department of Elementary and Secondary Education called for local education agencies to develop individual education plans for METP participants referred to ABE/GED training. However, individuals receiving services through non-financial referrals were not tracked as part of the METP-DES system.

A second DFS contract for the delivery of services to METP participants was with the Division of Job Development and Training (DJDT) of the Department of Labor and Industrial Relations, which oversees JTPA at the state level. Prior to FY 1993, the METP-DJDT funds were allocated among five local JTPA service delivery areas to provide JTPA-related services to METP work registrants. The METP-DJDT contract was operated as a separate program from the METP-DES service delivery system. JTPA administrative entities were responsible for recruiting and enrolling their own Food Stamp/non public assistance participants, who were then reported to DFS as METP participants.

Shifts in METP Services During the Demonstration Period

METP was substantially redesigned at about the time the demonstration began. Indeed, the process of competing for demonstration funds caused Missouri to reconsider and modify its regular E&T program in important ways. These changes

included: (1) the redesign of the METP service components statewide to conform to the state JOBS program; (2) an expansion of the services provided by DES to include more extensive training in job readiness skills; and (3) the redesign of the **METP-DJDT** funding to include all JTPA service delivery areas in the state and emphasize a wider range of JTPA-funded services.

After FY 1994, DFS redesigned the service components available to all METP participants in the non-demonstration counties to conform to the state's JOBS components. Available components include: ***job clubs/job readiness training, job search assistance - independent job search, adult basic education, school-to-work transition, post-secondary education, job skill training, work experience, and on-the-job training***. As a result of these changes, the services components available to METP non-demonstration participants and participants in the JET counties were very similar, with the exception of the provision of intensive case management and availability of enhanced transportation assistance and other work-related supportive services for JET participants, as described below .

Prior to the onset of JET, DES ran most METP-DES participants through 8 weeks of self-directed job search as their sole E&T activity. Participant progress in self-directed job search was monitored at the end of the fourth and eighth week of participation. Starting in FY 1994, however, DES redesigned its METP services to require all participants to first attend 3 half-day sessions of training in job readiness and job seeking skills (referred to as "job club"). Once the job club was concluded, independent job search commenced. During independent job search, participants are required to make a minimum of 12 employer contacts during each of two 4-week periods of job search and meet with E&T staff at the end of each period to discuss their progress.

Another important change implemented at about the time of the onset of JET was a redesign of the JTPA services provided under the METP-DJDT contract. First, the DJDT Division decided to allocate this funding to all **SDAs** statewide, rather than reserving the funds for a subset of all **SDAs**. Second, DFS encouraged the participation of METP participants in the full range of JTPA services under this contract. (There is some evidence that METP-funded services from the JTPA system prior to this change had emphasized job development and placement services, rather than a broad range of vocational training services.)

Numbers provided by DFS as part of its process and implementation evaluation reports show that JTPA is indeed providing a wide range of services to METP participants in non-demonstration counties. During the period from October 1, 1994 to September 30, 1995, DES served 6,288 METP participants, through its sequence of job clubs and job search. In comparison, JTPA served nearly as many METP participants (5,024 participants). Vocational skills training was by far the most common training service received by METP participants through the METP-DJDT contract, although substantial numbers received on-the-job training, paid work experience, or other services or combinations of services. No figures are available on the number of non-demonstration METP participants served through the Department of Elementary and Secondary Education.

DEMONSTRATION SERVICE DESIGN

Initiation of the Demonstration Program

JET was ushered in after a somewhat rocky start. As part of its intended design, Missouri's DFS planned to hire in-house JET case managers who would be responsible for client recruitment, service planning, and case management in the planned **20-county** demonstration area. This was initially expected to lead to full statewide consolidation of the E&T and JOBS delivery systems. However, the DFS job slots were not approved by the Missouri legislature during its 1993 session, forcing DSS to consider alternative arrangements.

To initiate demonstration services, a contract was signed with the state DJDT, which in turn subcontracted with Private Industry Councils (**PICs**) in 2 service delivery areas-the St. Charles Office of Employment and Training, which was to operate the demonstration in St. Charles County, and the SEMO Private Industry Council, which was to operate in 7 counties in Missouri's Bootheel. ¹ Because of the delay caused by the failure of the state legislature to authorize the sought-after positions, the demonstration was quite late in becoming operational-the first 3 case managers were not hired and trained until February 1994 (1 was hired by St. Charles and 2 by SEMO) and the first client was not enrolled until March 1994. As an additional consequence of

¹As described later in this narrative, DFS subsequently **began** contracting directly with the Private Industry Councils responsible for the local JTPA services delivery areas for JET services. This resulted in a significant reduction in administrative costs.

the delay, Missouri found it impractical to expand the operation of the demonstration beyond the initial **8-county** area.

Targeting and Participation

In keeping with the spirit of the demonstration, Missouri applies the JOBS work registration rules to demonstration participants. In other demonstration states, the application of these rules was expected to lead to increases in the size of the work registrant pool. Curiously, however, no such increases were in evidence in Missouri. In the year prior to the onset of the demonstration, approximately 12,300 persons were classified as mandatory work registrants in the **8-county** demonstration area. In the first year after the demonstration was implemented, however, only about 10,500 persons were classified as mandatory work registrants in the same 8 counties, perhaps as a result of improvements in the local economy.

Among persons who are classified as mandatory work registrants, Missouri's JET program gives priority to persons who are deemed "hardest to employ" or "not job ready." These concepts represent an elaboration and extension of the JOBS priority target groups and include:

- Former participants in Missouri's JOBS program (called FUTURES) who had lost their AFDC eligibility.
- Those who lack a high school degree or its equivalent, have little or no work experience, and/or received Food Stamps for 24 out of the last 36 months.
- Displaced homemakers or former AFDC recipients.
- Absent parents with child support claims pending with DFS.

Work registrants are classified by the DFS caseworker according to this priority system at the time the individual applies for Food Stamps. The target group identification of each individual can thereby be included in the monthly computer listing sent to the JET case managers, from which selections for call-in are made. The first of the target groups identified above constitutes the highest priority, and these individuals are automatically selected for JET. Beyond that, JET places a high emphasis on serving volunteers, especially those who are also in one of the above target groups. Volunteers can be identified because the monthly computer listings prepared by DFS will include a special notation for individuals who expressed an interest to the DFS caseworker in receiving employment and training services. Beyond this, the JET case managers recruited applicants by posting flyers in locations likely to

be frequented by Food Stamp recipients (e.g., in DFS and ES offices) and giving speeches at periodic public forums. If vacancies for the JET program still exist after former FUTURES participants and volunteers have been enrolled, case managers call in work registrants from among non-volunteers according to the priority system identified above.

Data supplied by Missouri as part of its process report show that just over **one-**half of JET participants served during the Federal Fiscal Year 1995 (FFY 95) were either mandatory work registrants or volunteers belonging to one of the identified target groups. Results also show that, in keeping with the JET program's selection criteria, volunteers made up a high proportion of the caseload. Of the 297 persons who were served in JET in FFY 95, 180 (or about 61 percent) were classified as either mandatory or exempt volunteers. By contrast, almost no volunteers were served in **the** non-demonstration counties during the same period.

Another dramatic difference between demonstration and non-demonstration counties was in the rate at which Food Stamp recipients were served. During FFY 95, just 123 mandatory work registrants were served in JET, or about 1.2 percent of the total pool of 10,168 mandatory work registrant in the demonstration counties; the 174 exempt volunteers made up the remainder of the total JET caseload. By contrast, 11,276 of 54,383 mandatory work registrants were served through METP in the **non-**demonstration counties, representing a service rate of about 20.7 percent; additionally, several dozen exempt volunteers were also served.

Perhaps because of these differences in eligibility, targeting, and recruitment rules, the characteristics of program participants also varies somewhat between demonstration and non-demonstration counties. Although Missouri **cannot** provide complete information about METP participants in non-demonstration counties, it concludes that JET participants are much more likely to be female and white than their non-demonstration counterparts.

Service Design

A hallmark of the demonstration design has been intensive case management and service planning. This process begins with an orientation session to which prospective JET participants are invited. Generally, those who volunteer after attending the orientation session are enrolled in JET. Participants are given a comprehensive assessment of their employment and training and other needs. This assessment

typically entails an in-depth interview with the case manager and testing for basic skills and vocational interests and aptitudes. Based on these assessment results, an individual employability plan (IEP) is developed jointly by the participant and case manager.

In conformance with the IEP, the participant may thereafter be assigned to:

- Classroom training, including enrollment in a GED or ABE program, English as a Second Language, a vocational school or college for **post**-secondary education or training, or a curriculum called “Parents as Teachers. ”
- Work experience, consisting of non-paid employment from which the participant is to gain work experience and job skills.
- On-the-job training, consisting of employment partly paid by the program and with the expectation that permanent employment will ensue.
- Job development/job placement, including help finding job vacancies and instruction in job search, interviewing techniques, and preparing a resume, and participation in peer support groups.

Different types of the activities described above can be undertaken by the same participant, either sequentially or concurrently, depending on their needs. However, participation for 20 or more hours per week in one or more components is generally required. In principle, most of these service options were also available to E&T participants in non-demonstration counties, at least since the revamping of METP coincident with the implementation of JET a few years ago (see Context, **above**).² In practice, however, METP in the non-demonstration counties tends to rely more heavily on job readiness and job search training as a stand-alone activity, while JET more often enrolls individuals in education or occupational skills training. For example, 27 percent of JET participants received GED or other basic skills training, 23 percent received post-secondary education, 8 percent received work experience, and 21 percent received other job skills training. Comparable figures for METP participants showed that 63 percent received only job readiness or job search training, while 34 percent received job skills training.

²**Service** components that are available to JET participants but not to METP participants in the non-demonstration counties include: English as a Second Language, Parents as Teachers, and Peer support.

Another important element of the JET service design was the intensity of the case management that was provided. The three JET case managers each had maximum caseloads of approximately 40 participants. Their duties included: conducting orientation and assessment, developing the IEP in partnership with the participant, referring the participant to services and other activities, and providing periodic **follow-up** while the participant was enrolled and assistance for up to 90 days after eligibility expired. Generally, participants continue to be enrolled in JET and work with their case managers until either the goals of their IEP are met and employment results, or the person voluntarily chooses to exit or loses eligibility for Food Stamps. Missouri's process report describes JET's intensive and ongoing case management as "the single greatest difference from the regular METP program. "

Under the demonstration, JET participants also were entitled to receive a more generous allotment of supportive services. Transportation assistance could amount to as much as \$70 per week (compared to \$25 per month under METP), and reimbursement could also be obtained for work-related expenses, including uniforms, tools and equipment, and necessary auto repairs, up to a limit of \$350 per 12 months (or more, if special approval was obtained). However, child care assistance was generally not available to JET participants, until quite recently.

Another important distinguishing characteristic of Missouri's demonstration was that, as of April 1996, sanctions had never been applied for noncompliance with JET participation requirements. This fact, which represents a rather glaring departure from conformance with JOBS, appears to have come about de facto, rather than as a matter of explicit policy, because case managers felt that the use of sanctions would have a "chilling effect" on a program that emphasized participation by volunteers and would have served to discourage potential participants from volunteering.

Evolution of the Demonstration Design Over Time

Once the demonstration became operational and case managers built up their caseloads, JET operated without major change through FFY 95. Subsequently, some relatively minor changes were introduced. First, DFS began contracting for the services of the JET case managers directly with the two **PICs** involved, rather than via the intermediary of the state Division of Job Training and Development. Contracting with DJDT made sense when it appeared as if the demonstration would be operating in 20 counties (in 8 different **SDAs**). However, when it became clear that the scope of the demonstration would entail only 8 counties in just 2 **SDAs**, DFS realized that

dealing directly with the **PICs** involved could eliminate a layer of administrative expense.

Second, JET case workers in St. Charles County came to the realization that the lack of child care assistance severely curtailed access to JET for single parents with young children. Accordingly, it pressed to be allowed to provide child care assistance as a supportive service and recently was granted permission to do so. By contrast, the JET staff in the 7 counties operating the demonstration as part of SEMO still feel that the lack of child care assistance is not hampering demonstration operations, perhaps because extended families in its primarily rural service area make the need for child care assistance less pressing.

Finally, very recently DFS realized that sanctions were not being applied for non-conformance within the demonstration project area and instructed case managers that sanctions should be applied when warranted, consistent with JOBS rules.

PROGRAM COSTS

JET is supported wholly through Missouri's \$500,000 in Cooperative Agreement Funds. These funds have been used to pay for: state and local administrative and office support, case management staff, employment and training services purchased as part of individual employability plans, and supportive services provided to JET participants. No demonstration funds are being used to support the evaluation, which is being performed in-house by DSS.

Because of its late start-up, Missouri was quite slow in recording its first project expenditures. However, since JET became operational in October of 1994, funds have been spent according to the following schedule:

Period	Expenditures
10/94 to 12/94	\$70,127
1/95 to 3/95	112,590
4/95 to 6/95	37,841
7/95 to 9/95	27,678
10/95 to 12/95	<u>51,411</u>
TOTAL (as of 12/95)	\$299,647

CONTEXT

E&T Services Prior to the Demonstration

Prior to the E&T/JOBS Conformance Demonstration, DSS contracted with the South Dakota Department of Labor for the delivery of one or both of the following E&T activities to all mandatory work registrants through its local Job Service offices:

- *Job search.* Individuals assigned to job search were required to completed up to 12 employer contacts per month and could be required to conduct two months of job search back to back or during different seasons within a twelve-month period, depending on job availability in the local labor market.
- *Job readiness training.* This component varied from field **office** to field **office** in duration, frequency of scheduling, detailed content, and delivery arrangements.

There was no prescribed sequence of participation in these activities. Each local office had the flexibility to design the components and assign participants to them based on the local labor market and the situation of the individual participant. The assigned E&T staff person in the local Job Service offices often had other responsibilities in addition to the E&T program. In a number of cases, the same individual was responsible for serving both E&T and JOBS clients, but the two programs were considered distinct and staff followed separate procedures manuals developed for each program.

Information provided by South Dakota's local impact evaluator and referred to the state's process and implementation report showed that, of 2,014 individuals who received E&T services between July 1, 1990 and June 30, 1991, 89 percent participated in the job search component and 28 percent participated in job readiness training. (Seventeen percent participated in both components .)

Shifts in Non-Demonstration E&T Services During the Demonstration Period

South Dakota transformed its entire E&T operations as part of the demonstration. There were no counties operating "non-demonstration" E&T services after the start-up of the demonstration.

THE SOUTH DAKOTA FAMILY INDEPENDENCE FOOD STAMP E&T/JOBS CONFORMANCE DEMONSTRATION

GOALS AND OBJECTIVES

South Dakota's Family Independence Food Stamp Employment and Training/JOBS Conformance Demonstration was implemented statewide in all 20 counties in which E&T services are offered. As stated by the South Dakota Department of Social Services (DSS), the objectives of the demonstration were to improve the operations, effectiveness, and efficiency of the Food Stamp E&T program, including:

- ***Improving the efficiency of program operations***, by conforming work registration and sanctioning rules for JOBS and E&T.
- ***Making the services provided to program participants more comprehensive*** and better designed to promote self-sufficiency for households receiving Food Stamps.
- ***Encouraging participants to follow through on their commitments*** by increasing staff follow-up and strengthening the sanctioning process.

South Dakota used the state's Family Independence Program (JOBS) as a model in designing its E&T demonstration but did not consolidate the delivery of JOBS and E&T services as part of the demonstration. Although conformance between E&T and JOBS was achieved on most program features, the demonstration design deviated from the JOBS program in several respects:

- Individuals participating in self-initiated training were considered exempt from participation and were not eligible for supportive services as volunteers.
- The demonstration did not encourage participation by volunteers.
- Because of cost constraints, the E&T demonstration did not include the implementation of a full-fledged case management system, e.g., through the assignment of a DSS case manager for every E&T participant, as is the case with JOBS.

- Were pending Food Stamp approval and had received Food Stamp assistance during 36 out of the last 60 months.

Information provided in the South Dakota process and implementation report shows that target group members accounted for approximately 40 percent of all mandatory work registrants. Field staff were instructed to begin calling in mandatory work registrants from target groups in priority order. Although volunteers (individuals exempt from work registration) were eligible for demonstration participation, participation by volunteers was not encouraged in South Dakota. Once all mandatory target group members had been called in, staff were instructed to begin calling in all other mandatory work registrants. South Dakota hoped that its E&T contractor would be able to continue to reach a high percentage of the total mandatory work registrant pool.

Data provided by South Dakota's local impact evaluator indicates that, of a total of 9,779 individuals designated as mandatory work registrants between July 1993 and June 1994, a total of 1,027 (10 percent) participated in demonstration services.¹ Only a few participants were categorized as exempt volunteers. Among the 1,027 participants, 37 percent were males and 67 percent were females. Although target group members received priority for demonstration services, representation from non-target group mandatory work registrants increased over time, as the JSRs began to increase their caseloads. During FFY 1995, the ratio of target group to non-target group members averaged almost exactly 50 percent150 percent.

Service Design

Under the demonstration, the South Dakota Department of Labor remains the primary provider of services to E&T participants, under contract to DSS. In the Sioux Falls service area, DSS also contracted with a second provider to serve mandatory work registrants from non-target groups, since the Job Service office in this site did not have the capacity to serve all mandatory work registrants. After receiving information from DSS on new mandatory work registrants (including their priority target group status), E&T staff within the local Job Service offices are responsible for calling in and serving demonstration participants.

¹Aggregate statistics reported by the state to FCS for federal FY 1994 indicated that 1,734 individuals out of 8,611 mandatory work registrants over the year (or 20 percent) had participated in E&T services. As defined by FCS, however, "placement rates" may double count individuals placed in more than one E&T service component.

DEMONSTRATION SERVICE DESIGN

Initiation of the Demonstration and Evolution of Demonstration Services Over Time

In March 1993, DOL field staff were instructed to phase out the old E&T program in preparation for implementing the demonstration. Demonstration activities were officially implemented effective April 1, 1993. There was a slight delay in making the expanded supportive services available to demonstration participants; these services became operational in July 1993. In April 1994, community service was added as a new demonstration component activity. (Prior to that time the community service component could not be offered to demonstration participants, because the state did not have Workers' Compensation insurance coverage for these individuals.) Throughout the demonstration period, the planned design was implemented as intended without major changes over time.

Targeting and Participation Patterns

Like other demonstration states, South Dakota implemented the JOBS work registration rules for demonstration participants. Because the JOBS program in South Dakota requires participation by all caretakers with children who are at least 1 year of age, the inclusion of caretakers responsible for children between 1 and 6 was expected to have a major impact on the size of the work registrant pool for the demonstration and the characteristics of work registrants. As documented in the South Dakota process and implementation report, the number of mandatory work registrants in the **20-county** project area increased over 30 percent from 4,696 to **6,151** between FFY 92 and FFY 94. The report did not provide information on the extent to which this increase resulted from the new work registration rules.

South Dakota selected priority target group criteria that mirrored the JOBS priority target groups. In order of priority, the demonstration targeted work registrants who:

- Were under age 20 without high school completion or equivalency certificate.
- Were between ages 20 and 24 without high school completion or equivalency certificate.
- Were between ages 20 and 24 with little or no work experience during the past twelve months.
- Received Food Stamp assistance during 36 out of the last 60 months.

- **Work experience.** This component is available through referrals to JTPA work experience activities. However, no demonstration participants entered this component during the 12 month period from July 1993 through June 1994.
- **Community service.** Beginning in April 1994, Food Stamp E&T participants can be required to work 20 hours per week for public or private non-profit employers in meaningful job assignments lasting no longer than 9 months. This component is administered directly by the JSRs.

Information provided by South Dakota's local impact evaluator and included in the state's process and implementation report describes the frequency with which different service components were utilized during the 12-month period from July 1993 through June 1994. Under the demonstration, job search was still the most frequently used component, utilized by 81 percent of all demonstration participants. Job readiness training was received by 23 percent of all participants. The demonstration was successful in increasing the percentage of participants receiving education services: 16 percent of all participants received secondary education, and another 2 percent participated in post-secondary education. On-the-job training was received by 2 percent of all participants. Community service, which had been initiated only a few months before the end of the reference period, was received by less than 1 percent of all participants .

Under the demonstration, E&T participants were eligible for an expanded menu of supportive services, including relocation assistance, reimbursement of job search or training travel expenses, employment-related clothing or tools, minor auto repairs, etc. However, these payments were made available and approved only in response to individual participant requests. In practice, JSRs did not widely advertise the availability of these services and only occasionally approved supportive service payments for E&T participants. Thus, supportive service expenditures actually shrank under the demonstration as compared to the previous E&T program (which had automatically provided \$25 transportation allowances to all participants who completed required job search activities .)

Reimbursement of child care expenses was available for demonstration participants only for short-term or temporary child care needs. For longer term needs, participants were referred to the state's block grant-funded child care program.

The demonstration design substantially expanded the initial assessment and employability planning process for E&T participants, as well as calling for ongoing contacts between participants and their E&T Job Service Representative (JSR) over time. At an initial face-to-face meeting with each participant, the JSR takes a work history and assists in the preparation of an individualized employability plan with **short-** and long-term goals. A variety of career interest and aptitude assessments are available as needed to assist participants in setting employment goals. **JSRs** are encouraged to assign participants to the service components most appropriate for each participant. Under the demonstration, participants remain part of the JSR's caseload until they are deregistered as a result of becoming exempt, or leaving the Food Stamp rolls. JSR's are responsible for tracking participants' progress through education or training programs to which they are referred, as well as monitoring their progress in finding and retaining employment.

Available service components were substantially expanded under the demonstration to include:

- **Job search.** The content of this component was not changed from the pre-demonstration period, but it was no longer presumed to be the most appropriate initial service for all participants.
- **Job readiness training.** As during the pre-demonstration period, the content and delivery arrangements for this component varied from field office to field office.
- **Secondary education.** Secondary education consists of GED training for individuals who have not completed their high school education and adult basic education. Referral to secondary education is mandatory for individuals under 20 who have not completed high school. In some offices participants are referred to JTPA-funded programs for secondary education. In other offices, this component is provided through referral to adult education programs operated by the public schools.
- **Post-secondary education skill training.** Post-secondary education is provided through referrals to vocational technical schools, community or four-year colleges, or JTPA-funded skill training .
- **On-the-job training.** This component is provided through referrals to JTPA activities, administered by other staff within the Job Service offices. During the final year of the demonstration, the state plan calls for the direct funding of on-the-job training with Cooperative Agreement funds.

of Labor's contract and a new contract was established with the Career Learning Center in the Sioux Falls area.

SUMMARY OF KEY DEMONSTRATION FEATURES

The key program features tested by the South Dakota Food Stamp E&T/JOBS conformance demonstration are the following: (1) an expanded and individualized service planning process; (2) an increased emphasis on utilization of education services, particularly for individuals without high school completion; (3) little encouragement given to voluntary participation; and (4) a continued interest in calling in a high percentage of all mandatory work registrants. The demonstration model was used statewide for all counties serving E&T participants.

Evolution of Demonstration Design Over Time

The demonstration design was substantially stable over time. Minor changes, already noted, included the implementation of community service as a new service component available to E&T participants in April of 1994, after a full year of demonstration operations. In addition, the plan for the final demonstration year calls for the introduction of on-the-job training as a component directly funded with Cooperative Agreement funds. It is not year clear whether this component will be used for substantial numbers of participants. However, the amount available for this purpose (\$200,000) is significant.

PROGRAM COSTS

Because South Dakota has transformed its entire statewide E&T program operations as a result of the demonstration, demonstration operations have been supported through a combination of the 100 percent federal formula E&T allocation, additional expenditures for E&T operations with 50 percent federal/50 percent state funds, and Cooperative Agreement funds received to support the demonstration and its evaluation. During the demonstration period, supportive services to E&T participants have been provided using Cooperative Agreement funds. The expenditures reported by the South Dakota Department of Social Services for FY 1993 through FY 1995 and planned for FY 1996 are summarized below.

Year	100% Formula Funds	50% State - 50% Federal Funds	Cooperative Agreement Funds	Total
FFY 1993	\$221,663	\$247,163	\$79,884	\$ 548,710
FFY 1994	\$203,379	\$338,662	\$ 84,555	\$ 626,596
FFY 1995	\$203,477	\$422,473	\$115,123	\$ 741,073
FFY 1996 (planned)	\$199,748	\$708,815	\$320,438	\$1,229,001

Program operations did not begin until the middle of FFY 1993 and **full** caseloads were probably not reached until the beginning of FFY 1994. Increased program expenditures over time have reflected the need for additional staff time to provide the more intensive assessment and service planning provided to each individual E&T participant. As a result staffing **requirements** were increased in the Department

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APPENDIX E:
THE TEXAS BON-D DEMONSTRATION

CONTEXT

E&T Services Prior to the Demonstration

Prior to the demonstration, DHS contracted with several different entities for the delivery of services in the 56 counties with operating E&T programs. The Texas Employment Commission (TEC) held a contract for E&T services in 53 counties, while the Texas Association of Private Industry Councils (TAPIC) held a contract for E&T service delivery in the remaining 3 counties.²

Beginning in 1993, DHS implemented a priority targeting and selection procedure for the E&T program³ that sorted work registrants into “Service Levels” based on their previous education and work histories. Work registrants categorized as Service Level I (high school completion and recent job experience) and as well as individuals categorized as Service Level II (some recent work experience and at least 8th grade completion) were referred to E&T contractors. Work registrants categorized as Service Level III (significant employment barriers or less than an 8th grade education, limited or no work history, and no job skills training) were not required to participate in E&T and were not referred to E&T contractors.

The E&T contractors were responsible for providing a one-week **20-hour job search skills training/job readiness** component (available in about half the E&T counties) and monitoring a mandatory 30-day **job search** process that required 24 documented employer contacts over the 30-day period. There were few instances of formal referrals to other providers, although a joint referral form existed for JTPA, Food Stamps, and AFDC clients. Clients who had additional needs or who wanted to pursue allowable activities other than those provided by the contracted E&T provider were given information about other community resources. Clients who used the information to enroll in an education or training activity could continue in that activity for up to two years if they remained a mandatory **FSE&T** work registrant. Additional E&T components described in the state plan included **vocational training, non-vocational education, work experience, and refugee social services**. After completing

² TAPIC also offered Survival Skills Training for Women as an optional E&T component in three additional counties.

³ This targeting procedure was based on the targeting system already in place in the JOBS program.

THE TEXAS BOND DEMONSTRATION

GOALS AND OBJECTIVES

The Texas Food Stamp Employment and Training/JOBS Conformance Demonstration, known locally as BOND (“Better Opportunities for New Directions”) was implemented in a single county between October 1993 and September 1996 to test the feasibility and effectiveness of conforming the E&T and JOBS programs. As described by the Texas Department of Human Services (DHS),¹ the objectives of the demonstration included:

- ***Providing expanded and enhanced activities and support services*** for E&T participants, both through services directly funded with E&T dollars and services provided by collaborating education and training agencies from other funding streams.
- ***Improving participation*** through a stronger sanctioning policy.
- ***Targeting resources*** based upon participant need, rather than operating a “one size fits all” E&T program.
- ***Providing continuity of services to E&T and JOBS participants*** who experience a change in program eligibility while participating in employment and training services.
- ***Increasing program efficiency and reducing program costs*** through common administrative processes, support materials, staff training, and a single service delivery system.
- ***Assisting participants to move toward self-sufficiency.***

As part of the BOND demonstration, DHS undertook full consolidation of the E&T and JOBS programs in the demonstration county. JOBS policies and procedures were applied to participants in both programs, staff serving the two client groups were merged, case management and service delivery procedures were consolidated, and, with few exceptions, identical services were provided to JOBS and E&T participants.

¹ The administration of the Food Stamp Employment and Training Program was transferred to the new Texas Workforce Commission, effective June 1, 1996.

FY 1995, many offices had reduced the number of work registrants called in for services to the number needed to fill the available service slots in the preemployment and group employment seminars.

Additional E&T components still available through non-reimbursable referrals to other community providers include:

- *Vocational training*, provided by JTPA or local education providers.
- *Non-vocational education*, including basic literacy training, GED, remedial education, post-secondary education, and ESL instruction, through non-reimbursable referrals to JTPA and local education providers.
- *Work experience training*, available through JTPA or other community programs.
- *Refugee social services*, including ESL, employment services, and vocational training, available through federal funding in eight counties with high refugee populations.

Participation in these education and training services continue to be limited to individuals who are interested in and pursue these services.

Beginning in FY 1994, DHS increased the transportation allowances available to E&T participants in an effort to conform transportation payments statewide between E&T and JOBS. Expenditures over \$25 per month are funded solely with state moneys. By FY 1995, the same transportation assistance policies and payment schedules were applied to E&T and JOBS participants. As described **below**, under evolution of the demonstration design over time, the required sequence of E&T services was amended in October 1995 as part of an overall state welfare reform initiative that emphasized the responsibility of work registrants to seek immediate employment.

DEMONSTRATION SERVICE DESIGN AND OPERATION

Initiation of the BOND Demonstration

DHS chose to implement the BOND demonstration in a single E&T county. **McLennan** County was selected as the site of the demonstration because it had an E&T program of intermediate size, a successful JOBS program, and sufficient local

the job search component, participants were considered to have fulfilled their E&T responsibilities for 12 months.

Information collected by Texas's local evaluator for a seven month baseline period in FY 1993 prior to start-up of the BOND program in the demonstration county indicates that 85 percent of E&T participants received individual job search, 24 percent received job search skills/job readiness training, 6 percent participated in adult education after enrolling in E&T services, and 2 percent received survival or life skills training.

Shifts in Non-Demonstration E&T Services During the Demonstration Period

By the time the demonstration was implemented, the statewide E&T program was evolving towards the JOBS model. Beginning in FY 1994, DHS consolidated its service delivery arrangements for E&T and JOBS services through an agreement with the Texas Employment Commission. As part of the redesigned E&T service model, E&T components provided by TEC in all 56 counties include:

- ***Job search skills training/job readiness training.*** A two-week 40-hour job preparation seminar.
- ***Life skills training.*** A two-week 40-hour survival skills training component, introduced by TEC in a limited number of counties in FY 1994, and available in all 56 E&T counties in FY 1995.
- ***Job search.*** A six-week component that requires 10 documented employer contacts per week, supplemented by a weekly group employment seminar that meets for two to three hours per week to review job contacts and offer support in job search skills.

All participants for whom the above services are appropriate are now expected to complete the entire sequence of services or enter employment as soon as feasible. In case of limited service capacity, individuals categorized as Service Level I are to be given priority for the job search skills/life skills seminars. Thus, since FY 1994, all E&T participants throughout the state have been offered a sequence of intensified preemployment training services and job search supports that is substantially different from the independent job search component that had been the norm for E&T participants prior to FY 1993. By FY 1995, what had previously been at most a four or five week sequence of E&T services had been extended to a ten week sequence of services. As a result of the greater intensity of the transformed service design, many E&T offices no longer had the capacity to serve all mandatory work registrants. By

additional priority target groups within the E&T work registrant population to mirror the JOBS priority target groups (e.g., individuals under age 24 who had not completed high school; individuals who had received Food Stamp benefits over a long time period).

The participation levels in the BOND program were constrained by the **staff-**intensive nature of the services offered to program participants (as described below, these services consisted of group or individual case management by DHS staff and participation in a sequence of job readiness/job search activities and/or long-term education and training). Individuals were called in or invited to participate in services as program openings became available in individual case manager caseloads-for individuals interested in or appropriate for long-term education or training-or in job preparation seminars-for more job ready individuals. Participation data summarized in the Texas process and implementation report suggests that participation rates for BOND were low. For example, the 188 individuals participating in BOND during an average month in FY 1994 (p. 85) would have comprised only 5 percent of the total work registrants in **McLennan** County in March 1994 (p. 82).

JOBS volunteer policy was applied to the demonstration. Exempt and non-exempt E&T work registrants could volunteer and received priority for BOND services. During the eligibility certification process, DHS intake workers gave eligible Food Stamp recipients the opportunity to volunteer for BOND participation. In addition, volunteers could “walk-in” and request services from the BOND program at any time. The Texas process and implementation report says that, according to management reports prepared by DHS, between 30 and 40 percent of BOND participants were exempt or nonexempt volunteers (p. 56).⁵

Service Design

Among clients categorized as Service Level I and II, assignments to BOND services were closely related to service level assignment. Service Level I clients were normally referred to the job search and job readiness components operated by TEC. As noted above, the enhanced job readiness and job search components available to BOND participants-including a 40-hour **job preparation seminar**, a 40-hour

⁵ This may include mandatory work registrants who volunteered for BOND services prior to being called in as well as exempt volunteers.

education, training, and transportation systems to support the project.⁴ McLennan County accounted for about 1.8 percent of the work registrants in all E&T counties. A small demonstration project area was felt to be appropriate, given the significantly higher costs of the JOBS program to which E&T operations in the demonstration area were intended to conform.

Demonstration planning occurred during the first year of the federal conformance demonstration grant. Delivery of regular E&T activities in the demonstration county was curtailed in August 1993 and discontinued in September 1993 to free staff for training. The BOND demonstration was implemented on October 1, 1993.

Targeting and Participation Patterns

As a result of replacing the E&T work registration and exemption requirements with the JOBS exemption criteria, the BOND program was expected to reach new groups of mandatory work registrants, including caretakers responsible for children ages 3 to 5, custodial parents under age 20 who had not completed high school, students enrolled only half-time, Food Stamp recipients receiving or applying for UI benefits, and individuals participating in substance abuse rehabilitation programs. As documented in the Texas process and implementation report (p. 28), the number of mandatory work registrants in McLennan County increased 32 percent from 2,814 to 3,716 between March 1993 and March 1994. The report did not provide information on the extent to which this increase resulted from the new work registration rules; however, statewide work registrant rolls increased by 29 percent during the same period, suggesting that non-demonstration-related factors were also at play.

Like the E&T program, the BOND demonstration used Service Level assignments to determine which work registrants would be required to participate in services. However, whereas an individual categorized as Service Level III had no access to E&T services, Service Level III clients could volunteer for BOND services (although they were usually referred to community resources). Beyond targeting Service Level I and II customers, the BOND demonstration did *not* establish any

⁴ Although **McLennan** County had a well-developed education and training system, its JOBS program was not necessarily typical of other counties, because: (1) it lacked well-developed coordination agreements with the JTPA service delivery system at the outset of the demonstration, (2) it had an atypically high utilization of post-secondary training by students in self-initiated training, and (3) an unusually high number of JOBS participants were high-school students enrolled in a local drop-out program. These features influenced the service patterns for the E&T participants in the demonstration.

substantially (from 8 percent to 13 percent in adult education and **from** 35 percent to 44 percent in post-secondary education), accounting for an increased proportion of all BOND participants in education and post-secondary training.

Evolution of Demonstration Design Over Time

The demonstration design implemented in **McLennan** County was quite stable between demonstration startup in October of 1993 and October 1995. However, in October 1995, a dramatic redesign of welfare-to-work programs was implemented, as part of a new Texas "Personal Responsibility and Work First" initiative. Under this initiative-which affected the design of JOBS and E&T programs, in addition to the BOND demonstration-work registrants are required to participate in a redesigned sequence of services that emphasizes the responsibility of the participant to seek immediate employment. An initial four days of job preparation training are followed by three weeks of job search, followed by another four days of job preparation training, followed by another three weeks of job search. The state's process and implementation study covered FFY 1994 and FFY 1995; it did not document the redesigned program that was in place after October 1, 1995.

PROGRAM COSTS

During FY 1994, the first year of BOND implementation, the E&T program in **McLennan** County accounted for 1.8 percent of all Food Stamp work registrants in the state and consumed 3.7 percent of the statewide E&T budget (\$586,879 out of the state budget of **\$15,990,276**). Texas made the decision to fully fund the E&T **demonstration** from the existing E&T budget. Child care expenditures were unexpectedly high, accounting for over 35 percent of the total BOND budget. Cooperative Agreement funds, totaling \$586,365, were used to support the evaluation of the demonstration.

SUMMARY OF KEY DEMONSTRATION FEATURES

The BOND demonstration is characterized by: (1) **full** consolidation of E&T and JOBS operations; (2) a high level of participation by exempt volunteers; (3) the development of a two-tier service design offering an increase in the intensity of job readiness and job search services for more job ready participants and access to basic and post-secondary education and training for individuals with more serious employment barriers; and (4) a significant investment in child care expenditures to support attendance in long-term education and training.